



THE CORNWALL COLLEGE GROUP

**Minutes of the Finance and Resources Committee meeting
held on 29 November 2021 at 9.30am using a blended approach with some Governors
at the St Austell campus and others joining via Microsoft Teams**

Committee members present

Geoff Warring	GW	Committee chair
Karen Burrows	KB	Governor
Peter Child	PC	Governor
John Evans	JE	Principal and CE and Governor
Ellen Winsler	EW	Governor

In Attendance

Wendy Randle	WR	Director of Governance
Adrian Ford	AF	Group Deputy Principal Group Operations
Graeme Sinclair	GS	Director of Finance

		Action
1	WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST Apologies were received and accepted from Ian Tunbridge and Martin Bailey. There were no further declarations of interest to those on the members' register of interests.	
2	MINUTES OF THE MEETING HELD ON 16 SEPTEMBER 2021	
2.1	The minutes and confidential minutes of the meeting held on 16 September 2021 were agreed to be a true and accurate reflection of the meeting.	
2.2	MATTERS ARISING A matters arising report had been circulated prior to the meeting, there were no actions requiring further comment.	
3	FINANCE MATTERS	
3.1	Financial Update– Confidential The October Management Accounts had been circulated to the Board. The following highlights were noted; <ul style="list-style-type: none"> ▪ A £600k reduction in HE funds was reported, as a result of decreased student numbers. ▪ An opportunity increase income by £700k from the Tuition Fund; funds put in place by the ESFA to support learners disadvantaged from Covid. The £700k comprises some carry over from 2020/21 and a further allocation for 2021/22. An overview of the criteria for spend was provided, the College plan to use these funds to support English and Maths and the delivery of practical sessions whilst improving staff utilisation. ▪ An increase in EU project income has been received due to extensions of existing projects. ▪ Apprenticeships are tracking slightly above planned; the College plan to ensure completion of all apprenticeships 	AF

	<ul style="list-style-type: none"> ▪ Concorde is tracking lower than predicted, the CCMS Board will meet 30/11/2021 to review performance. ▪ Additional funds have been allocated to utilities to support price increases in electric and gas. ▪ Reduction in staff travel costs due to less travel between campuses and virtual working. ▪ Reduction in fees to the University of Plymouth due to a reduction in HE students. ▪ The profit from the disposal is for the sale of Camborne car park. <p>Cash flow; the graph portraying cash flow for the financial year was shared, the low point in March and April was highlighted noting the forecast is now £1m; this had previously been forecasted at £1.5m. The expected sale of Camborne Car Park in January/ February 2022 will impact positively.</p> <p>In response to a Governor question on assumptions regarding HE retentions, it was reported that the College have assumed a ten percent drop out.</p> <p>Debtors; it was noted that the College have completed significant work around HE loans and although the debt position is similar to last year; payment plans to cover the debt has significantly improved compared to last year.</p> <p>Concorde's debt has not reduced as planned, measures are in place to mitigate the risks linked to a specific debtor as noted by a Governor prior to this meeting.</p> <p>The Director of Finance highlighted the impact of a single invoice from one organisation on the long term debtor's position assuring Board there were no concerns.</p> <p>In response to a Committee member request it was agreed that a forecast balance sheet will be included within the Management Accounts.</p> <p>In response to a Governor question it was noted that the College are not delivering new EU projects but have secured funding for extensions to existing projects. The College will identify if the EU procurement directive has been transferred into EU law.</p>	
<p>3.2</p>	<p>ESFA Financial Health Assessment 2021/21</p> <p>The above report from the ESFA had been circulated prior to the meeting. It was noted that the College had achieved 170 points resulting in a requires improvement grading; in order to achieve the College's aim of a good grading, 180 points would need to be achieved; an improved cash flow forecast would impact significantly as would an improved EBITDA.</p> <p>It was reported that the ESFA are considering new measures for the Financial Health Assessment moving forward. A focus for the College is to increase the EBITDA to further drive financial health.</p> <p>The College plan to build the sector averages detailed in the report into the College Balanced Scorecard/ KPIs.</p>	<p>AF/ GS</p> <p>AF/ GS</p> <p>AF/ GS</p>
<p>3.3</p>	<p>CCMS Business Plan</p> <p>It was reported that the CCMS Business Plan has not been completed and work had halted due to the Managing Director being unwell. In the Managing Director's absence the College have met with the Concorde management team and plan to meet monthly moving forward. It was noted that the CCMS Board planned to meet on 30/11/2021.</p>	<p>GS</p>
<p>3.4 3.4.1</p>	<p>FINANCIAL APPROVALS</p> <p>Approval of orders over £25k+VAT and recommendation of over £100K to board</p> <p>It was noted that going forward this level of approval would not be included due to the proposed amendments to the levels of authority in the Financial Regulations. The Committee approved the order for £110,803.03 with Fox Construction Solutions noting this no longer needed to go Board.</p>	

<p>3.4.2</p> <p>3.4.3</p> <p>3.4.4</p>	<p>Asset Disposal None to report.</p> <p>Debtors write offs There were no College or Concorde Debtor write offs since the last meeting.</p> <p>Overseas expenses None to report. It was noted that the Principal plans to travel to Holland, though this trip is under review due to Covid.</p>	
<p>4</p> <p>4.1</p> <p>4.2</p>	<p>PROPERTY UPDATE</p> <p>Estates update to include progress against the Estates Strategy A paper had been circulated prior to the meeting. An overview of the key points was provided with the following noted; - the College await an outcome of the second stage bid to the FE Capital Transformation Fund - an offer for the Camborne Car park has been received, the developer is conducting ground surveys and both the developer and College plan to progress the sale promptly. - an update on the ongoing Treveth land sale at the Newquay site was provided, it was noted Cornwall Council have not provided formal written confirmation regarding the overage. Further details contained in the confidential minutes.</p> <p>Major Capital Projects (MCP) Committee recommendation to approve the Project Management Framework (PMF) The PMF had been circulated prior to the meeting. It was noted that a previous Internal Audit action was for the Finance & Resources Committee to approve the PMF. The Committee agreed an amendment to the PMF, to include a post project review one year after completion with the review shared with the MCP Committee.</p>	<p>AF/ GS</p>
<p>5</p> <p>5.1</p> <p>5.2</p>	<p>POLICY REVIEW</p> <p>Financial Regulations The revised Financial Regulations had been circulated prior to the meeting. Amendments proposed as part of the review include changes to the levels of authority for Committee and Board, approvals delegated from the Principal to the Group Deputy Principal Group Operations, updates to job titles and updates to the procurement section. The Committee put forward the following amendments;</p> <ul style="list-style-type: none"> ▪ Re sections 2.3.3 and 6.18 on inherent risks, the Committee suggested rewording to include ‘risk out of the ordinary course of business or reputational risk’. ▪ A Governor requested an explanation of 5.1.3 and 5.1.4; it was agreed that this should be ‘external’ in both instances and that the paragraph could be merged. ▪ Section 5.1.7 regarding redundant assets, to be amended to include ‘with a nil net book value’ ▪ Section 6.1.9 to include investment appraisal of projects and post project reviews to be considered as part of the remit of the MCP Committee. ▪ The College will review where the document states ‘section does not now apply’. <p>The Committee agreed to approve the Financial Regulations with the above amendments as delegated by the Board.</p> <p>Mileage and Expenses policy The policy had been circulated prior to the meeting. It was noted that the only amendment was an update to the table to remove Saltash. The Committee reflected on the mileage rates, it was noted there has been no staff feedback on the rate and that the rate is variable for some roles. The Committee recommended the approval of the Mileage and Expenses policy to Board.</p>	<p>GS</p>

6	<p>HIGH LEVEL FINANCIAL RISKS REFLECTION</p> <p>The Committee considered additional risks for inclusion on the risk register. It was noted that accommodation for staff and students had been added as a result of the OLT away day discussion on risk.</p> <p>A discussion took place on sustainability, the potential income from this sector and the risk of not achieving the Boards' planned position. The College consider themselves well placed to react to industry needs when required.</p>	
7	<p>COMMITTEE TERMS OF REFERENCE (TOR)</p> <p>The TOR had been circulated prior to the meeting. The Committee agreed to recommend to Board the approval of the TOR.</p>	GW
8	<p>DATES OF NEXT MEETINGS</p> <p>27/01/2022 9.30 am – this meeting will take place on Teams</p> <p>09/03/2022 0930 am</p> <p>19/05/2022 0930 am</p> <p>22/06/2022 0930 am</p>	