

THE CORNWALL COLLEGE GROUP

**Minutes of the Finance and Resources Committee meeting
held on 21 November 2022 at 12:30pm at St Austell campus and on Microsoft Teams**

Committee members present

Geoff Warring	GW	Committee chair
Karen Burrows	KB	
John Evans	JE	
Patrick Newberry	PN	

In Attendance

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

Number	Item	Action
1	<p>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST</p> <p>Apologies were received and accepted from Ellen Winsler. The meeting was quorate.</p> <p>There were no further declarations of interest to those contained on the register.</p>	
2	<p>MINUTES OF THE MEETING HELD ON 21 JUNE 2022</p> <p>2.1 The minutes, to include the confidential minutes of the meeting held on 21/06/22, were agreed to be an accurate reflection of the meeting and were approved by the Committee.</p> <p>2.2 MATTERS ARISING</p> <p>A matters arising report had been circulated prior to the meeting and progress against actions noted. The following updates were provided:</p> <ul style="list-style-type: none"> ▪ NAS - the share certificate has been received and is with the solicitors for review. The Group Deputy Principal Group Operations plans to meet with another proposed partner as part of due diligence. ▪ The Committee requested a regular agenda item in order to receive an update on Campus Profitability. ▪ Pay award – the cost of a pay award in line with the recently announced national living award will be approximately £600k; £100k this year and £500k the following year. A decision on a general pay award for all staff will be added to the December Board agenda. <p>A Committee member noted the life changing work being completed to support Ukrainian families in Cornwall.</p>	<p>WR</p> <p>WR</p>
3	<p>BALANCED SCORECARD</p> <p>Circulated in advance of the meeting, the Committee focused on the following highlights with some included in the confidential minutes:</p> <ul style="list-style-type: none"> ▪ Quality of Education - key aspects were reported at the October Board meeting. Ongoing in year monitoring is in place. ▪ 16-19 yr old learners – allocation for 2023/24 will be down by £1m due to lagged funding. The final enrolment numbers did not vary much from those reported to Board in October. 	AF

	<ul style="list-style-type: none"> ▪ EBITDA – capital expenditure will be reduced to protect the EBITDA during the low points in the year. ▪ Financial Health grade - previously predicted as good, will now be Requires Improvement as discussed at the last Board meeting. ▪ Infrastructure – it was confirmed that BAM have been successful with the contract for the St Austell new build and that Camborne redevelopment is progressing well. ▪ Property sales – the Camborne car park sale remains delayed, the Newquay land sale is progressing well and the delay with the Saltash sale was noted; the delays are considered when reviewing cash flow. <p>It was noted that all areas are progressing as planned with no concerns to highlight. A Committee member was pleased to see the progress made in staff wellbeing considering the current pressures on society.</p> <p>In response to a Committee members question on the how the College monitor energy usage, it was reported that the College have year on year comparison data to include meter usage across sites and this information is considered at the sustainability committee that the sustainability Lead Governor sits on.</p>	
<p>4</p> <p>4.1</p> <p>4.2</p> <p>4.3</p> <p>4.4</p>	<p>FINANCE MATTERS</p> <p>College Financial Forecasting return The Committee received the College Financial Forecasting return. It was noted that this return had originally been based on the three year budget presented to Board in the summer term 22 therefore reflecting a good assessment outcome; subsequent to this publication the outcome has been downgraded to Requires Improvement. An updated return is expected and will be shared with the Committee once received.</p> <p>Financial Update (including September Management Accounts Cashflow, Debtors and Creditors, and Forecast) The Committee considered the September accounts circulated with the papers.</p> <p>A Committee member reflected on property maintenance across the campuses, noting that the environmental works at the Stoke campus have not yet been completed. The Committee were assured that the Environment Agency are aware and supportive of proposals and that the funds remain ringfenced for this work, anticipated for completion in May 2022. The Committee noted that maintenance planning for ten years would improve the College’s position.</p> <p>Financial Approvals Asset disposal - the College reported an asset disposal of JCB 533-10.5 WK56 DPO Telehandler (Duchy Stoke) and that the asset had fully depreciated. The College approved the disposal with an estimated sale value of £12k, the item will be sold at auction.</p> <p>Approval of orders over £100,000 ex VAT – and recommendation of over £250,000 to Board - the Committee approved the refurbishment of cottages order in the paper from the September meeting. It was noted that processes have been amended to ensure Board/ Committee approval is provided in advance of any action being taken by the College.</p> <p>Debtor write offs - the College wrote off debt totalling £12,307.47 which a debt collecting agency had been unsuccessful in retrieving. A further £9,473.40 of Concorde bad debt was written off due to all companies entering into liquidation.</p> <p>Overseas expenses - none to report.</p> <p>CCMS update A CCMS Director provided an update on the Company. It was reported that the CCMS Board recently met for a strategy session and that the draft strategy will be considered at the November</p>	<p>JE</p>

	<p>CCMS Board meeting with feedback into Corporation at the December meeting. It was reported the Company were operating well and an external organisation recently provided a benchmark and concluded the business remained viable.</p> <p>It was noted that Colin Stratton has stepped down from the role of Chair of the Board and Director and that Peter Child was appointed as Chair of the Board for a term of two years.</p> <p>Further detail contained in the confidential minutes (as below)</p>	
5	<p>PROPERTY MATTERS to include</p> <p>The Committee received the paper circulated prior to the meeting covering the below points:</p> <ul style="list-style-type: none"> ▪ Property, lease and capital grant updates ▪ Proposals for lease, acquisition and disposal of land/ property. ▪ Annual planned maintenance ▪ Progress against the Estates strategy <p>It was noted that the covered walkways planned for the St Austell new build will support the build in achieving net zero and that the first building will be open in 2024.</p>	
6	<p>PEOPLE MATTERS</p> <p>Develop in line with Scheme of Delegation</p> <p>Terms of Reference amendments</p> <p>Following a discussion on the above agenda items the Committee agreed that the Director of Governance, Committee Chair, Director of HR and Group Deputy Principal Group Operations would meet to consider a monthly report for Board, oversight at Committee of the people matters contained in the Scheme of Delegation and monitoring of progress against the People Strategy and its development during review periods.</p>	WR
7	<p>OPERATING STATEMENT FOCUSING ON FINANCE AND RESOURCES</p> <p>The Committee reviewed progress against the Finance and Resource sections of the operating statement, the following points were noted:</p> <ul style="list-style-type: none"> ▪ The College plan to develop a longer term strategy for Unlocking Potential; the College are completing bids for Shared Prosperity yet note the requirement to pay the real living wage which the College does not yet achieve. ▪ The Committee reflected on the enhanced momentum around campus profitability, which will be further explored at the February Board Strategy Day. ▪ Less progress than hoped on the triple bottom line concept. ▪ Develop further the sustainability estates strategy to ensure the College are ready to apply for grants when feasible. ▪ Regarding additional residential accommodation, the Committee noted the impact of enrolments in HE on this item. <p>In response to a Committee member challenge on the need to embed regular reporting to Board on sustainability it was noted that the Chair of the Board and Director of Governance are developing sustainability reporting which will be shared once completed.</p>	PN/ WR
8	<p>RISK REGISTER REVIEW/ FURTHER ASSURANCE NEEDED High Level Financial Risks</p> <p>The Risk Register was tabled following an annual review by the Operational Leadership Team (OLT) and the Executive Leadership Team (ELT). A Governor in attendance at the OLT away days reflected on the quality of conversation and staff engagement on risk register agenda item.</p> <p>The Committee reviewed the additional risks added. The register was circulated to Committee and feedback invited by the Group Deputy Principal Group Operations.</p>	ALL
9	<p>POLICY AND COMPLIANCE</p> <p>The following policies were circulated in advance of the meeting:</p>	

<p>9.1</p>	<p>Anti Bribery policy The Committee noted the amendments and agreed to recommend to Board its approval.</p>	<p>GW</p>
<p>9.2</p>	<p>Financial Regulations The Committee noted the two changes. Following a discussion, it was agreed that the regulations would be amended to reflect that the College would follow the most stringent procurement rules dependent on grant and funding body requirements. The Committee agreed to recommend to Board approval of the policy once amended.</p>	<p>GW</p>
<p>9.3</p>	<p>Annual ratification of Insurance schedules The Committee considered the insurance schedules, their increased costs and risk. In response to Committee member questions the following was noted;</p> <ul style="list-style-type: none"> ▪ an increase in equine cover is due to a result of increased claims ▪ that the College had sought professional advice from the broker, the leading specialists in FE, who procured the relevant insurances. ▪ the insurance for cyber has increased in line with guidance. <p>An item was discussed and is contained in the confidential minutes.</p>	<p>AF</p>
<p>10</p>	<p>IMPACT OF FINANCE AND RESOURCES COMMITTEE The Committee note the increase in Committee discussion and ongoing self reflection present in meetings and agreed to reduce this agenda item to once a term.</p>	<p>WR</p>
<p>11</p>	<p>DATES OF NEXT MEETINGS 2022/23 dates have been circulated.</p>	