



THE CORNWALL COLLEGE GROUP

Minutes of the Finance and Resources Committee meeting held on 27 January 22 at 9.30am on Microsoft Teams

Committee members present

Geoff Warring	GW	Committee chair
Karen Burrows	KB	Governor
Martin Bailey	MB	Governor
Peter Child	PC	Governor
John Evans	JE	Principal and CE and Governor
Nick Harris	NH	Governor
Ellen Winser	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	<p>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST</p> <p>Nick Harris, a new Committee member, was welcomed to their first meeting. Apologies were received and accepted from Patrick Newberry who has joined the Committee as Chair of the Board.</p> <p>Some Governors experienced difficulties accessing the meeting; they arrived as detailed in the minutes. The meeting remained quorate at all times.</p> <p>There were no further declarations of interest to those on the members' register of interests.</p>	
2	<p>MINUTES OF THE MEETING HELD ON 29 NOVEMBER 2021</p> <p>The minutes of the meeting held on 29 November 2021 were agreed to be a true and accurate reflection of the meeting and were approved by the Committee.</p>	
2.1		
2.2	<p>MATTERS ARISING</p> <p>A matters arising report had been circulated prior to the meeting. Updates on the following actions were provided in italics;</p> <ul style="list-style-type: none"> ▪ Item 3.1; identify if the EU procurement directives have been transferred into EU law. <i>The UK have not adopted all elements of the EU procurement directives and plan to publish a green paper. The College comply with the Public Procurement Regulations 2015 which are as stringent as the EU procurement directives.</i> ▪ Item 5.1; update the Financial Regulations with the proposed amendments from Committee; <i>to be completed.</i> <p>Karen Burrows joined the meeting.</p>	GS

<p>3</p> <p>3.1</p> <p>3.2</p>	<p>FINANCE MATTERS</p> <p>Financial Update (including December Management Accounts Cashflow, Debtors and Creditors, and Forecast)</p> <p>The financial update had been circulated prior to the meeting, the following highlights were noted;</p> <ul style="list-style-type: none"> ▪ staffing costs are slightly increasing. ▪ CCMS' net profit has dropped by £75k due to a drop in their income of £1.2m, resulting in a drop of income for the College. Income has also been impacted by a reduction in HE student numbers and slow progress with the AEB and tuition funds. ▪ the debtors position was significantly lower than previous years. ▪ Depreciation charge is approaching £4m, and will likely increase with campus developments in line with additional assets; as the campus developments are grant funded there will be grant release which will cover the depreciation charge. ▪ The EBITDA is 2.5% of income, the College continues to aim to increase this over the coming years. <p>The Committee noted the uncertainty of the EU project funds as funding transitions from the EU to the UK Shared Prosperity fund, their impact on the financial position of the Group, and the potential risks with the educational income; noting that the core educational business (as highlighted previously by the Group Deputy Principal) returns the largest deficit. It was reported that the recently appointed Group Head of Adult Learning, Employability and Personal Development will attend the March Board meeting to provide an update on progress in achieving spend of the AEB. The Committee were reminded that student applications are increasing, yet noted it will take time for these to convert to enrolments as the reputation of the College improves.</p> <p>In response to a Governor question the College are developing a clear plan for the HE provision, to include accommodation and the student experience, as discussed at the Board Strategy Day.</p> <p>CCMS Forecast July 2022</p> <p>As reported the forecast for CCMS was £75k lower than predicted. Following a conversation on the forecast, the Committee were keen to review the debtors position. Further detail and actions contained in the confidential minutes.</p> <p>Ellen Winsor joined the meeting</p> <p>Financial Approvals: Approval of orders of £100,000 ex VAT- and recommendation of over £250,000 to board None to report.</p> <p>Asset Disposal None to report. It was noted that the College will be reimbursed for the VAT paid on the tractor disposal.</p> <p>Debtors write offs There were no College or Concorde Debtor write offs since the last meeting.</p> <p>Overseas expenses Detail of a trip for three members of staff to Holland regarding research electrical vehicles project which incurred costs of £1,075.37, were shared.</p>	
<p>4</p>	<p>CAPITAL GRANT UPDATE</p> <p>The Committee considered the paper circulated prior to the meeting. It was noted that the Board had been informed of this proposal at the Board Strategy Day and were supportive of the College applying for the capital investment required in order to deliver T Levels in Construction, Digital, Education and Childcare and Health and Science. In response to a Governor question, the College plan to express their interest in the delivery of the land based T Levels on the basis that an Ofsted</p>	

	<p>Good judgement is received in order to meet the criteria, though noted this would not be included in the funding application.</p> <p>The Committee supported the application the Buildings and Facilities Improvement Grant (BFIG).</p>	
<p>5</p> <p>5.1</p> <p>5.2</p>	<p>PROPERTY MATTERS</p> <p>Car park written resolution</p> <p>It was noted that the Board had approved the sale of the Camborne car park for a reduced sale value, via written resolution towards the end of last term and that the College are two weeks from completion.</p> <p>Newquay Land</p> <p>As reported at the Board Strategy Day, the College have received written confirmation from Cornwall Council waiving the overage on this site. It was noted that Board requested the Finance and Resources Committee reconsider the sale of the Newquay Land at the next Committee meeting. Further detail contained in the confidential minutes.</p>	<p>WR</p>
<p>6</p>	<p>POTENTIAL BUSINESS OPPORTUNITY: NOTEBOOK ASSESSMENT SERVICES (NAS)</p> <p>The Group Deputy Principal, Group Operations (GDPGO) shared an introductory presentation on NAS with the Committee; a copy will be circulated with the minutes. The GDPGO declared his membership of The Notebook Assessment Services Ltd. Further detail and action contained in the confidential minutes.</p>	
<p>7</p>	<p>FINANCIAL HEALTH NOTICE TO IMPROVE</p> <p>The Committee received the ESFA financial health notice to improve, as expected. The College continues to focus on the removal of this notice.</p>	
<p>8</p>	<p>IMPACT OF FINANCE AND RESOURCES COMMITTEE</p> <p>The Committee were informed of the need to consider their impact. Following discussion the following impact was noted;</p> <ul style="list-style-type: none"> ▪ The agreed actions in response to Governor challenge regarding a CCMS contractor. ▪ Board need to consider the criteria for a good business idea/ opportunity – the guidance used by the College will be shared with the Committee. ▪ Acknowledgement that the core business remains insolvent. 	<p>AF/ GS</p>
<p>9</p>	<p>DATES OF NEXT MEETINGS</p> <p>09/03/2022 0930 am Face to Face, with Teams available if required. 19/05/2022 0930 am 22/06/2022 0930 am</p> <p>The Committee noted that this meeting was Peter Child’s last Finance and Resources Committee meeting prior to his term of office expiry. Peter was thanked for his work, time and effort on this Committee; Peter will attend the Board meeting in March.</p>	