

**THE CORNWALL COLLEGE GROUP**

**Minutes of the Finance and Resources Committee meeting  
held on 21<sup>st</sup> June 2023 at 1pm on Microsoft Teams**

**Committee members present**

Geoff Warring	GW	Committee chair	Karen Burrows	KB
John Evans	JE		Ellen Winser	EW

**In Attendance**

Wendy Randle	WR	Director of Governance
Mathew Davies	MD	Finance Controller
Adrian Ford	AF	Group Deputy Principal Group Operations
Jayne Nines	JN	Director of HR

Number	Item	Action
<b>1</b>	<b>APOLOGIES AND DECLARATIONS OF INTEREST</b> Apologies were received and accepted from Will Charnley and Patrick Newberry. The meeting was quorate and there were no further declarations of interest to those contained on the register.	
<b>2</b>	<b>MINUTES OF THE MEETING HELD ON 17 MAY 2023</b>	
<b>2.1</b>	The minutes, to include the confidential minutes, of the meeting held on 07/05/23 were reviewed. Some typos were amended during the meeting and the Committee agreed the minutes were an accurate reflection of the meeting and were approved by the Committee.	
<b>2.2</b>	<b>MATTERS ARISING</b> A matters arising report had been circulated prior to the meeting and progress against actions noted. The following updates was reported: <ul style="list-style-type: none"> <li>▪ It was reported that the rephrasing of DfE funds has resulted in no feasible opportunities for the College to invest in higher rate savings. The College are receiving approximately 1.5% below the interest base rate, with sweeping in place where feasible.</li> <li>▪ A task and finish group met to develop environmental sustainability KPIs for the Committees and Board. Feedback will be provided at the next Board meeting.</li> </ul>	<b>AF</b>
<b>3</b>	<b>OPERATING STATEMENT – Strategic Aims linked to F&amp;R</b> The Committee were guided through a progress update of the Operating Statement areas specifically linked to the Committee, the following points were noted: <ul style="list-style-type: none"> <li>▪ Cash continues to be tight, especially in the medium term, but is robustly managed</li> <li>▪ Building related saving and student growth associate with the St Austell campus new campus build, general campus profitability analysis and mini restructure will support the College over the next two years to increase EBITDA.</li> <li>▪ The sector has been informed that the Adult Education Budget (AEB) funding rules will change to enable colleges to support adult delivery in the work place. This is considered a real opportunity for the future. The College have not maximised the AEB for 2022/23.</li> <li>▪ A review of systems and timings of workload peaks will be explored with a small working party.</li> <li>▪ Curriculum Area Managers (CAMs) staff utilisation meetings are being held with the Principal which will feed into efficiencies.</li> <li>▪ Further work is required on the mini bus fleet.</li> <li>▪ The triple bottom line is being considered and will be shared with the College Sustainability Committee.</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ The College has exchanged contracts on the Camborne Car Park sale with a £100k deposit received.</li> <li>▪ Improved enrolment processes are in place.</li> <li>▪ The integration of PowerBi has been achieved.</li> </ul> <p>In response to Committee member questions the following points were noted with some items in the confidential minutes:</p> <ul style="list-style-type: none"> <li>▪ A Committee member reflected on the time spent approving a curriculum in HE, it was noted that the programme efficiencies being considered will form part of the review process.</li> </ul>	
<p><b>4</b></p> <p><b>4.1</b></p> <p><b>4.2</b></p> <p><b>4.3</b></p> <p><b>4.3.1</b></p> <p><b>4.3.2</b></p> <p><b>4.3.3</b></p> <p><b>4.3.4</b></p>	<p><b>FINANCE MATTERS</b></p> <p><b>Group Financial Update (including April Management Accounts Cashflow, Debtors and Creditors, and Forecast– Confidential)</b></p> <p>The Committee received the April management accounts. The DPGO reported that the year-end position has changed, impacted by reduced AEB spend, clawback and reallocation, HE income, advance learner loans and apprenticeships; a drop of income of £2m. Mitigation measures of improved project contributions and staff savings made throughout the year were noted. The College noted the timescales for securing any overdraft facility via the DfE.</p> <p><b>Balanced Scorecard (BSC)</b></p> <p>The Committee received the BSC. The DPGO highlighted the following points:</p> <ul style="list-style-type: none"> <li>▪ Student attendance is slightly down.</li> <li>▪ There are less staff than initially targeted and a further drop is anticipated.</li> <li>▪ Staff absence is reporting at 2.53%, on track for the first time since Covid.</li> <li>▪ Staff turnover is good with additional work undertaken with new teachers. It was noted that the TLA department has moved into HR to improve synergies and support for teachers and the department has been renamed People and Culture.</li> <li>▪ The Skills and Employability section is rag rated red.</li> <li>▪ The EBITDA has been significantly impacted, with the College managing cash via capital investment and staffing changes.</li> </ul> <p><b>Financial Approvals:</b></p> <p><b>Approval of orders over £100,000 ex VAT – and recommendation of over £250,000 to Board</b></p> <p>The Committee received the paper and in response to a Committee member question noted that the resources purchased form part of the SEF phase 2 project, funded by grant funding which had followed procurement guidelines. A Committee member noted that they had seen some of this technology in place during a Beyond the Boardroom visit. The Committee approved the order.</p> <p><b>Asset disposals</b> None to report.</p> <p><b>Debtor write off</b> None to report</p> <p><b>Overseas expenses</b> There were no expenses related to ELT overseas travel. There had been some staff expenses linked to the Turin trip.</p>	
<p><b>5</b></p>	<p><b>DRAFT BUDGET 2023/24 AND 2024/25</b></p> <p>The DPGO presented the 2023/24 budget noting that the assumptions reported at the May F&amp;R Committee meeting remain: the drop in HE student numbers, the end of EU projects, 16-19 lagged funding, the in year T Level fund clawback, inflation pressures continues at higher levels with additional funds built in for energy costs. The College have included further targeted pay awards increases to the value of £300k. Further detail contained in the confidential minutes.</p>	

	<p>A Committee member noted that although the budget does not contain any surprises and the College is managing its resources more efficiently, there remains no scope for future investment and that the budget presented represents survival. The Principal reported that a third, to a half, of colleges cannot achieve a balanced budget over the next year and that the College are acting in line with the sector.</p> <p>The Committee agreed to recommend to Board the approval of the Budgets for 2023/24 and 2024/25 and the operating budget costs as detailed earlier in the minutes.</p>	
6	<p><b>CCMS UPDATE AND FUTURE PLANS</b></p> <p>A Committee member noted the turnaround of CCMS with future recruitment planned and possible expansion into Plymouth. The current strategy is in place and the Board plan to invite the leaders of CCMS to present to Board and share the synergies between TCCG and CCMS.</p>	
7	<p><b>PROPERTY MATTERS</b></p> <p>The Committee received the paper, noting the updates provided at the recent Special Board meeting on the Camborne Redevelopment project and the recent MCP Committee meeting.</p> <p>The College have received significant external funding; the significant impact of the Head of Projects was noted. However, the College were disappointed not to be eligible to bid for the recent round of Transformation Funding which had been planned for the land-based campuses.</p>	
8	<p><b>PEOPLE MATTERS</b></p> <p>The Committee received an update on the areas of focus:</p> <ul style="list-style-type: none"> <li>▪ The top three reasons why staff have left the College include; work life balance, family commitments and better career opportunities.</li> <li>▪ The environmental sustainability targets will be incorporated into the People Strategy.</li> <li>▪ The HR department has been renamed People and Culture.</li> <li>▪ Redundancy consultations are underway, a full consultation is not yet required.</li> </ul> <p>The Director of HR has begun to explore companies to conduct an external staff survey noting the first firm approached would charge a fee of £27k due to the size of the organisation, 1200 staff, a targeted reduction to 800 staff would result in a cost of £17k. A Committee member noted the impact on staff and the value added by completing the survey via an external provider.</p> <p>The People Strategy will return to the November F&amp;R Committee meeting for review and recommendation for approval at the December Board meeting.</p>	
9	<p><b>POLICY</b></p> <p><b>HE fees 2024/25</b></p> <p>It was noted that the paper circulated was incorrect regarding the fees linked to the MSc programme at the Eden campus and the Puerto Rico trip. The Committee recommended approval of the policy subject to clarity on the MSc programme to be provided at the Board meeting.</p> <p>The Committee noted that the following staff related policies are not new, yet following a review of the Eversheds policy list it was identified that existing policies are required to be reviewed by Committee and Board for oversight and approval.</p> <p><b>Capability Procedure</b> Based on the AoC policy with ongoing consultation with Joint Consultative Committee (JCC).</p> <p><b>Disciplinary Procedure</b> The process was shared with ongoing consultation with Joint Consultative Committee (JCC). In response to Committee member questions it was noted that the policy is used two to three times a month, not all cases resulting in warnings and dismissals are rare.</p>	AF

	<p><b>Grievance Procedure</b> The policy has undertaken a recent review and the policy remains fluid in order to support multiple scenarios. In response to a Committee member question the types of grievances vary.</p> <p><b>Managing Sickness and Absence procedure</b> Currently the College do not have to pay occupation sick pay if a staff member is pending disciplinary or during a notice period; this position is being challenged. The Committee supported the plan to review the Bradford Factor.</p> <p>The Committee recommended approval of the policies to Board.</p>	<b>GW</b>
	<b>JE and JN left the meeting</b>	
<b>10</b>	<p><b>HIGH LEVEL FINANCIAL RISKS/ ASSURANCE NEEDED to include the Risk Register review</b> The RR review had been completed and will be shared with the Audit and Risk Committee at the June meeting. The key financial risk is the drop in income and cash throughout the academic year.</p> <p>A Committee member was keen to ensure that the RR sufficiently represents the lack of ability to invest and the limitations for minor capital investments. It was noted that the risks related to the St Austell new building and the impact of the delays has been incorporated.</p> <p>The Committee were keen to review the RR prior to the OLT away days as part of a pre Board session.</p>	<b>WR/ AF</b>
<b>11</b>	<p><b>ITEMS TO SHARE WITH THE BOARD/ COMMITTEES</b> The Committee recommends to Board the approval of the following:</p> <ul style="list-style-type: none"> <li>▪ The VR contract Virtual Software &amp; Hardware for boat maintenance</li> <li>▪ Capability Procedure</li> <li>▪ Disciplinary Procedure</li> <li>▪ Grievance Procedure</li> <li>▪ Managing Sickness and Absence procedure</li> </ul> <p>The Committee requested that when the budget is recommended to the Board that the College highlight the risks to include student numbers and impact of inflation, along with the challenging decisions required by the College.</p>	<b>GW</b>  <b>AF</b>
	<p>The DPGO thanked the Financial Controller for their continued hard work to include the work completed on the budget.</p> <p>A Committee member requested a similar version of the cash flow statement to be presented to the CCMS Board as part of future management account reporting.</p>	<b>AF/ GS</b>
<b>12</b>	<p><b>DATES OF NEXT MEETINGS</b> 14/09/2023, 10am 15/11/2023, 10am 17/02/2024, 10am 04/03/2024, 10am 15/05/2024, 10am 24/06/2024, 10am</p>	