

**MINUTES OF THE MEETING OF
THE FINANCE, RESOURCES AND INVESTMENT COMMITTEE
HELD VIA MICROSOFT TEAMS AT 5.30PM ON 3 MAY 2023**

Present: Mr D Langton (Chair)
Dr A Birkinshaw
Mrs A Lall (Interim Principal and Chief Executive)
Mr E Drake
Mrs H Kerrick
Mr G Dixon (Vice-Principal Finance and Resources)

In attendance: Mrs J Tracy (Interim Director of Governance)

ACTION

- Item 1: APOLOGIES FOR ABSENCE**
- M22/106 There were apologies for absence from Mr A Micklethwaite who was unable to attend because of a previously arranged meeting. The Committee was informed that, subject to Board approval, Mr Micklethwaite would be appointed as a member of the Committee.
- Item 2: DECLARATIONS OF INTEREST**
- M22/107 There were no declarations of interest.
- Item 3: MINUTES**
- Item 3a: Minutes of the Meeting held on 29 March 2023**
- M22/108 It was **agreed** that the minutes of the meeting held on 20 March 2023, the action points and the detail of the action tracker would be considered at the next meeting of the Finance, Resources and Investment Committee to be held on Wednesday 28 June 2023.
- Item 4: FINANCE**
- Item 4a: March 2023 Management Accounts**
- M22/109 The Vice Principal – Finance and Resources presented the paper which included an executive summary on the accounts at 31 March 2023 and the forecast for 31 July 2023. The Committee noted the information on the current deficit and the cash balance including the FE Commissioner recommendation. The forecast financial health score of ‘requires improvement’ was noted to be primarily due to increased energy costs and the challenges in AEB delivery. The Committee noted the reasons for College liquidity being lower than in previous years and that the position was being closely monitored.
- M22/110 The Vice Principal - Finance and Resources then provided information to the Committee on how the College would achieve its forecast and a ‘good’ financial health rating. *Post meeting update: The slides from the presentation have been uploaded to VBR.*
- M22/111 The Committee expressed concern regarding the AEB figures – that both strands were behind target and the Vice Principal - Finance and Resources was challenged as to whether there was a plan to ensure that the College achieved its forecast figures, and on whether managers were being held to account. The Vice Principal – Finance and Resources informed the Committee that planning reviews were taking place and that relating to adults would take place in the following week, with the Interim Principal being in attendance. Performance management would be initiated where this was necessary and with a short time frame for completion.
- M22/112 The Committee Chair commented that a similar discussion had taken place in the previous year and therefore it was **agreed** that a written plan would be prepared and shared – to show any management changes (if necessary).

VP F&R

M22/113	The Chair of the Governing Board commented on the need for there to be strong, high-quality marketing if the College were to meet its recruitment targets, particularly in adult provision and for this to be seen as a collective responsibility within the College. The Interim Principal will take forward the suggestion that a project group be set up to action the marketing plan and delivery, involving all the relevant managers.	IP
M22/114	The Committee then discussed costs, noting the slippage in staffing costs over the previous month, and the need for all staffing costs to be included. The Vice Principal - Finance and Resources was asked to confirm that the staff utilisation figures included all staff. The Committee would be updated at its next meeting.	VP F&R
M22/115	The discussion covered how fast staffing issues were/could be dealt with and on the need for the Committee and Board to be assured that utilisation of every permanent member of staff was being monitored, and that this was reported to the Committee/Board. The Committee noted that any proposed staffing reductions would be reported to the June meeting.	VP F&R
M22/116	The Committee asked for and received information on the average class size costs against the good recruitment in 16-18 learners, and noted that consideration into outsourcing cleaning was ongoing but was not at the tender stage.	
M22/117	The Vice Principal – Finance and Resources then made his presentation on Financial Health 22-23 Route to ‘Good’. This included a reminder of the current position in terms of the financial health grade and the forecast to improve by year end. However, the modelling assumed that the position would remain as is to year end. Two options were available – income recognition on study programme income and AEB provision. The forecast, if only applying the first option, was detailed for current ratio, EBITDA, borrowing, and the overall financial health rating, with the final slide covering the risks.	
M22/118	The Vice Principal – Finance and Resources confirmed that a decision on the way forward was not required at this time. Members of the Committee were concerned about the potential for clawback and agreed that this should not be ‘released’	
M22/119	In answer to a question from a member of the Committee, the Vice Principal – Finance and Resources confirmed that cash generated from the potential sale of the High Street would need to be ring-fenced. However, the Committee questioned whether this could be backdated, the College already having invested in the campus on the basis of selling the High Street.	
M22/120	It was agreed that the Vice Principal – Finance and Resources would obtain clarification from the ESFA on the likelihood of the College being asked to repay and on the issue in relation to the income generated from the sale of the High Street.	VP F&R
M22/121	The College was reminded of the need for the financial health of the College to be ‘good’ and was asked to look at ways of strengthening the budget for next year and thus to give the Board confidence that a ‘good’ financial health rating would be achieved.	
M22/122	If neither option proved to be viable, the College was asked to provide information on what was being done to achieve a strong ‘good’ financial health.	VP F&R
	Item 5: HIGH STREET OPTIONS Strictly Confidential Item	
M22/123	It was agreed that this item (in italics) would be classified as confidential – not for	

To M22/126	publication.
	Item 6: STRATEGIC DEVELOPMENT FUND (SDF)
M22/127	The Vice Principal – Finance and Resources provided a verbal update. It was noted that the College was £15k short of the expected spend, with the overall SDF spend also being under at c. £400k. It was confirmed that the College had achieved the outcomes as per the bid.
M22/128	The College was asked for information on the marketing which was being done. This included a show case event in York and other local marketing would be undertaken via social media, website, openings, local newspapers, etc.
M22/129	The Committee noted the lessons to be learnt from this bid.
	Item 10: REVIEW OF MEETING
M22/130	Members reviewed the meeting and agreed there was nothing to raise.
	Item 11: DATE OF NEXT MEETINGS
M22/131	Wednesday 28 June 2023 at 5.30pm via Microsoft Teams
	The meeting closed at 6.35pm