

**Minutes of the Finance & Resources Committee meeting FRC22.2 held on Wednesday 1 February 2023
Long Road Sixth Form College, Cambridge**

Present: Sophie Harrison (FRC Chair), Gerry Bolton, Yolanda Botham (Principal) and Abby Futter

In attendance: Charlotte Hemmins (Finance Director), and Charlotte Muir (HR Manager, part meeting)

Clerk: Anne-Marie Diaper

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FRC22.2.1 Apologies for Absence Alex Curnow had sent his apologies for absence. The meeting was quorate.	
FRC22.2.2 Declarations of Interest None	
FRC22.2.3 Request for any other business None	
FRC22.2.4 Minutes of Standards committee minutes FRC22.1 held on 16 November 2022 With one small suggested amendment, the minutes of the last meeting were agreed as a true and accurate record of the meeting.	
FRC22.2.5 Matters arising None	
FRC22.2.6 Estates and property update, including on health and safety The Finance Director (FD) updated the meeting on a range of matters relating to the site.	

Network rail. Since the College had been informed earlier in the calendar year that no compulsory purchase of College land was necessary (in relation to the build of the Cambridge South station), in favour of 'temporary possession', some data had been received to the contrary. The College was working with Brutton Knowles to clarify the position.

New build. The FD advised that work had started on site; the whole site had been fenced off, trees had been removed, and the modules were due on site at the end of February. There had been some challenges with pipe work, and extra work was necessary to re-route gas pipes. The College was in receipt of regular emails from DfE regarding the grant funding. All funding needed to be claimed by 31 March (and the DfE was keen that Governors are aware), but if any delay occurred, the FD assured Governors that a 'vesting certificate process' can be

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followed if necessary so that funds from DfE can be claimed within the necessary timeframe. A Governor asked about costs of additional pipe work and soakaway. The FD advised that costs of additional work were coming in within the contingency figure, but there was no additional costs associated with the soakaway.

Property Strategy. The FD advised that work had started to look at the requirements for additional study space for students, particularly in the LRC. Options were being considered to erect additional canopies to enable additional outdoor study and areas had been identified for this. Two different architects had been invited in to look at ideas and potential costs.

Health and Safety. Most of the recent focus on health and safety on the College grounds had been directed at the new build. No staff or students presently had access to that area. Once the majority of the work had been complete the site would be reviewed again for security. The Principal advised that this matter may be brought back for further discussion.

FRC22.2.8 Management accounts

It was agreed to take agenda item 8 before item 7. The FD spoke to the management accounts, suggesting that they contained no surprises for Governors.

She talked through a range of matters, including the operating surplus, income (higher than budget and pay costs lower due to a number of vacancies), at the time the accounts were produced. The meeting touched on national pay negotiations and the ongoing teaching staff pay settlement which remained unresolved, high needs funding, and non-pay costs. As part of a committee discussion on the balance sheet, it was reported a strong cash position meant that there was no risk to payments.

The HR Manager joined the meeting at 10.26am.

FRC22.2.7 Review and approval of College policies and procedures

Capability policy – for approval. The HR Manager advised that this policy had last been approved in January 2020. A Governor/committee member, who was not present at the meeting, had already commented on the policy. The HR Manager advised that there had been no capability dismissals for a considerable time and the policy had been used formally twice in the last 18 months.

With no additional comments or amendments the committee approved the Capability policy.

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Redundancy policy. Governors noted that this policy was detailed and comprehensive, however they queried that the policy was based on SFCA guidance that had not updated since 2016, based on even earlier legislation. The committee asked the HR Manager to query this further with the SFCA, and if College was not assured, to consult specialist lawyers, before bringing the policy back to the committee.

Agenda

Harassment policy. The HR Manager advised the removal of the policy, explaining that the revised Staff Code of Conduct and the Grievance and the Disciplinary policies had absorbed the key elements of the Harassment policy. A Governor who was not present at the meeting had raised some questions, and as they could not attend the meeting, it was agreed that further work on this could take place outside of the meeting, and an update be brought back to the committee for further consideration in due course.

HR Manager

The HR Manager left the meeting at 10.47am.

FRC22.2.9 Factors likely to affect the financial forecast

The FD presented her detailed paper focussing on the movements since July when the financial forecast was presented. She touched on surplus and contingency figures (with the pay award factored in). There had been no real mention of FE in the Chancellors autumn statement. Since then the ONS had reclassified all FE Colleges as public sector organisations and the committee had been provided with a link to a letter from the DfE about what changes might be ahead for Colleges related to this. There would be new requirements for College for financial management oversight with new 'approvals' requirements, which were effective immediately. There was a number of unknowns at the present time that College was expecting to receive more information on in the coming weeks.

The report included sections on income (already touched on somewhat), high value courses premium, programme cost weightings, and the financial impact of retention factors, the update on application numbers for September 2023 (with the marketing lead adding some context on this), and a small update on pay.

Based on the financial movements already discussed in the meeting, the paper also included some forecast modelling to include pay award scenarios, and inflation up to 2024/25; the FD spoke to these. A Governor commented she was keen to observe the worst-case scenario model and it was noted that it would be helpful to think through some of these at the Governors' training/strategy day on 8 February, along with the possible mitigations and challenging decisions that the Board

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may be faced with in future years. The Principal again declared an interest on behalf of the College employees in the meeting where discussions had touched on pay. The committee pondered what big cross-sector assumptions could feed into a useful strategic discussion on 8 February.

The paper also included an update on future factors impacting on students and staff (eg. curriculum reform and local transport issues).

FRC22.2.10 Governance update

The Clerk advised that the papers had included the whole Corporation governance self-assessment report (SAR) for 2021/22 which included the FRC input and suggestions for focus on governance for 2022/23. She reminded the committee about the prospect of the external review of governance that would take place before July 2024 on which there would be a briefing/session on 8 February. There were no comments or queries on the governance SAR.

FRC22.2.11 Review risks relevant to committee

The committee reviewed the high level risks discussed, as in the last meeting. The FD commented that no new risks had been added to the College operational risk register since the last meeting.

FRC22.2.12 Any other business

None

FRC22.2.13 Date of next meeting

FRC22.3 Wednesday 26 April 2023