

Finance & Resources Committee

Thursday 18 September 2025, 6:00 – 7:40pm

Block 1 Boardroom (1.204)



Meeting papers link: [18 September 2025 \(GovernorHub\)](#)

Committee members:

Jacquie Carman, CEO & Principal
Jo Chilton
Stuart Fisher
Andrew Hanson (Committee Chair)

Officers in attendance:

Steph Morley, Director of Governance
Sean Rudolph, Director of Finance
Andrew Woodford, Vice Principal & CFO

APPROVED MINUTES

Item	Discussion	Action
1	Welcome The Chair opened the meeting and welcomed all in attendance. It was confirmed the meeting was quorate.	
2	Procedural matters	
2.1	<u>Apologies</u> There were no apologies received as all were in attendance.	
2.2	<u>Declarations of interest</u> There were no declarations of interest for this meeting or reported changes to governors' individual declarations of interest.	
2.3	<u>Confidential item(s)</u> It was agreed Item 4 (Staff pay recommendations) would be held in confidential session. Post-meeting note: it was agreed during the discussion Item 6.1 would also be held in confidential session.	
2.4	<u>Minutes of last meeting and actions/matters arising</u> The Committee approved the minutes of the meeting held on 25 June 2025 as a true record. The following updates on outstanding actions were provided (all other actions were confirmed as completed): <ul style="list-style-type: none">- Ref 10, Community engagement event date – confirmed as 26 November 2025- Ref 13, Environment & Sustainability Statement – requested additions would be reflected in the next update, scheduling to be discussed	AW & SM
2.5	<u>Approvals since last meeting</u> There had been no approvals/decisions made since the last meeting.	

3 Financial performance 2024/25

3.1 College DRAFT year-end financial position

A. Woodford presented the report outlining the college's DRAFT financial position for 2024/25, and the following was highlighted/discussed (the information reported was draft and subject to audit):

- The year-end position was slightly better than forecast, staying within all covenants and resulting in a financial health score of Good (200 Points) as forecast
- The cash from the restructuring of the NatWest security had not been received during the year; however, this had been offset by the early receipt of capital funds

The Committee acknowledged the draft position and asked for reflections on the caution taken around deciding last year's pay award. J. Carman confirmed her belief it had been the correct decision to be prudent when deciding the staff pay award last year, particularly in light of the number of variables in the financial risk model and the information available at that time. Both she and A. Woodford reported the pay award decision had been well received by staff last year.

The Committee asked if a date for receipt of the cash from NatWest was known. A. Woodford advised the original target date had been 31/07/25; therefore, it was hoped the funds would be received soon, though the College was not reliant on their receipt

The Committee **noted** the draft end-of-year financial position for the college.

3.2 HCE draft year-end financial position

A. Woodford presented the report outlining HCE's DRAFT financial position for 2024/25, and the following was highlighted/discussed (the information reported was draft and subject to audit):

- The company had finished slightly better than forecast, comfortably within all KPIs, and had resulted in a covenant of £98k which would be gift aided to the college
- In consultation with the auditors, the decision had been taken to write down the inter-company debt between the HCE and the college by £45k (the maximum amount allowed). This would be done annually (where financially possible), which would enable the debt to be paid in full over the next 5 years
- Improvements being made to the invoicing arrangements between HCE and the college would help with the company's cashflow

The Committee **noted** the draft end-of-year financial position for HCE and thanked S. Rudolph for the improvements being made to financial systems/procedures and reporting.

4 Staff pay recommendations (CONFIDENTIAL)

A separate minute of this item was taken.

5 2025/26 financial year

5.1 Enrolment update

A. Woodford presented the report on the college's enrolment position for this year. He reported higher than college target/lower than DfE allocation for T-Level enrolment and significant growth for the 16-18 study programme. He emphasised the importance of retaining student numbers and explained how the additional 16-18 numbers would be funded by the DfE – the first 100 over allocation would not be funded and then at only 50% after that. He reported the paper produced and presented to the DfE last year regarding the under-funding of the college (approx. £5m over recent years) would be revisited and re-presented to further illustrate the financial implications of the college's significant growth.

The Committee discussed the impact of the increased student numbers on space usage across the estate and also the potential effect of reduced numbers in digital courses on accessing future opportunities.

The Committee noted the increase in student numbers was contrary to the demographics of Halesowen and J. Carman explained the college now attracted applications from beyond the immediate local area and as far as Birmingham. She spoke about the high numbers of young people who were NEET or status not known in the Dudley area (compared with both Sandwell and the national average) and advised she had met with the local authority to develop plans for engaging with this potential large cohort.

The Committee **noted** the report.

5.2 Committee-allocated risks

A. Woodford introduced the item by explaining a full review of 2025/26 risks was being undertaken by the Audit Committee on 25/09/25 and a more in-depth discussion on risk would be held at this committee's next meeting.

A. Woodford presented the risk register dashboard to the Committee and noted the risks allocated to the F&R Committee where the risk level had reduced largely due to the appointment of the Director of Finance and increased capacity in place. He highlighted those risks that were high or had increased, in particular the risk of 'damage to data and loss of access to third party systems'. The Committee noted this risk and asked if there was a more general risk within the register relating to a cyber-attack on the college. A. Woodford informed the Committee about the mitigating action taken to reduce this risk and agreed to ensure this was sufficiently addressed within the risk register as a separate risk.

AW

The Committee **noted** the new risk dashboard and the improvements that had been made to risk management and reporting over the last 2 years.

6 Estates, capital and IT update report

6.1 Shenstone House update (CONFIDENTIAL)

A separate minute of this item was taken.

6.2 Estates update

A. Woodford highlighted the following environmental sustainability improvements to the college's estate:

- Solar panels installed on building roofs (where possible), now generating power and producing savings throughout the year
- LED lighting in place across the estate, generating a cost saving of approx. 85%

6.3 LUF project update

A. Woodford advised the project was progressing at a steady pace - the draft funding agreement had been received from the LA and negotiations had begun regarding the lease of the Wilkos building. He informed the Committee the LA had already received £12m of the LUF funds and that the government had issued new flexibilities regarding the management of the funds by local authorities. He confirmed a steering group would be established for the duration of the project with representatives from the college and LA.

Following the Corporation's agreement to proceed with the project and give delegated authority to J. Carman and A. Woodford to progress the negotiations, A. Woodford informed the Committee he was seeking its support for the Chair of the Corporation to sign

the lease for the Wilkos building. He recommended a 25-year lease due it being critical to the success of the LUF project - the central location of the building, the additional capacity it would provide and the new cohort of approx. 300 learners it would accommodate.

The Committee acknowledged the request and asked if there was a break clause within the proposed lease – A. Woodford confirmed there was a break clause at 10 years.

The Committee asked if taking on the lease would assist with the accommodation pressures. A. Woodford advised a wider review of the Estates Strategy was being undertaken in light of this year’s student growth and progression with the LUF project. J. Carman added the lease of temporary accommodation within the town centre was also being explored to relieve the immediate estate capacity issues.

The Committee **supported** entering into the lease for the Wilkos building (as detailed above) and requested further detail be presented to the Corporation.

AW

7 Policy and compliance

7.1 FE Financial Handbook & Managing Public Money updates

A. Woodford referred the Committee to the briefing paper and summarised the main changes to the documents, in particular highlighting the new personal responsibility of the accounting officer (J. Carman) to advise the Corporation if acting outside their remit (and inform the DfE where appropriate) and the changes to senior pay thresholds. He also noted the requirement for all governors to be aware of these documents and annual changes, and it was confirmed the briefing paper would be shared with the wider Corporation as part of the papers for the upcoming meeting on 15/10/25.

The Committee **noted** the updates on the 2025 changes to the FE Financial Handbook and Managing Public Money.

7.2 Financial Regulations 2025-26

A. Woodford presented the proposed update to the Financial Regulations, which reflected the recent changes to the FE Financial Handbook and Managing Public Money documents discussed under Item 7.1.

The Committee **recommended** the updated Financial Regulations for approval by the Corporation at its meeting on 15/10/25.

7.3 Procurement Policy

A. Woodford presented the proposed update to the policy, which reflected changes in procurement law and recommendations from last year’s internal audit of procurement.

The Committee **approved** the updated Procurement Policy.

8 By exception reporting

There was nothing further to report at this time for the following:

- Fraud, bribery and money laundering
- IT and digital
- Procurement waivers
- Regulatory compliance
- Sector issues/feedback

9 Any other business

9.1 Acknowledgement

The Committee agreed for a thank you to be sent by J. Chilton, on behalf the Corporation, to the Director of Estates, Head of Estates and the wider team for their hard work and dedication to ensure Shenstone House was finished and ready for students and staff.

JCh

There was no further business for discussion and the Chair closed the meeting at 7:40pm.

2025/26 meeting dates:

- ~~— 18 September 2025~~
- 27 November 2025
- 12 March 2026
- 25 June 2026

Actions from meeting:

Finance & Resources Committee – 18 September 2025			
Ref	Action	Owner	Timescale
1	Item 2.4, Discuss scheduling for future Environmental & Sustainability Statement	AW & SM	Next meeting
2	Item 4, Arrange meeting with union representatives	JCa	26/09/25
3	Item 4, Update and present the pay recommendations paper to Corporation in October 2025	JCa	08/10/25
4	Item 5.2, Ensure cyber-attack is contained within risk register	AW	Next meeting
5	Item 6.3, Include additional lease detail in the LUF report to Corporation	AW	08/10/25
6	Item 9.1, Send thanks to Director of Estates/team re Shenstone House	JCh	Next meeting