

Finance & Resources Committee

Thursday 25 June 2026, 6:00-7:30pm

Held via Microsoft Teams



Meeting papers link: [25 June 2026 \(GovernorHub\)](#)

Committee members:

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

Officers in attendance:

Steph Morley, Director of Governance
Sarah Potter, 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, in particular S. Potter to her first meeting as Director of Finance. The Chair confirmed the meeting was quorate and that all attendees were able to hear and contribute.	
2	Procedural matters 2.1 <u>Apologies</u> All Committee members were present; therefore, there were no apologies. 2.2 <u>Declarations of interest</u> There were no declarations of interest for this meeting. 2.3 <u>Confidential item(s)</u> Matters relating to pay under Item 4 were identified as confidential. 2.4 <u>Minutes of last meeting and actions/matters arising</u> The Committee approved the minutes of the meeting held on 12 March 2026 as a true record. The Committee noted the update provided through the Committee Action Tracker. 2.5 <u>Approvals since last meeting</u> There had been no approvals to report since the last meeting.	
3	2025/26 financial year 3.1 <u>College management accounts – May 2026</u> A. Woodford presented the College management accounts for May 2026 and the following was highlighted/discussed: - The position remained slightly ahead of budget, reflecting higher income and greater than expected in-year growth - Capital grant and DfE income were above budget; pay was in line with budget and there were no material variances in non-pay - EBITDA was ahead of budget, although it was expected to reduce by year-end.	

- Cash remained strong, with approximately £7m held at the reporting date, including capital monies

The Committee **noted** the College management accounts for the period ending 31 May 2026.

3.2 HCE management accounts – May 2026

A. Woodford reported that HCE remained ahead of budget and that, in line with historical seasonal trends, the forecast position was expected to reduce towards year-end to approximately £82k.

The Committee queried the balance sheet figure and whether this should reduce to nil following the transfer of Gift Aid. A. Woodford confirmed the figure resulted from a formatting error and that a corrected balance sheet would be circulated.

AW

The Committee **noted** HCE's management accounts for the period ending 31 May 2026.

3.3 Revised budget forecast 3 – College and HCE

A. Woodford presented Revised Budget Forecast 3 for the College and explained the forecast reflected vacancy savings and the bringing forward of some non-pay expenditure to support works over the summer. He emphasised that EBITDA remained at 6%.

The Committee considered financial health, cash and liquidity and noted the £1.8m held as security with NatWest had not yet been returned. A. Woodford confirmed LEP monies had been received, as well as purchase orders from the Sandwell and Dudley local authorities for high-needs funding; however, the LRF monies remained outstanding. He advised the cash-flow forecast prudently assumed payment in 2026/27 and no mitigating action was needed at this time. The Committee noted if the £3.2m was received, the College's liquidity score would improve and financial health would be close to outstanding.

The Committee asked whether the College could have less than £500k cash if expected monies were not received and how this would be managed and reported. A. Woodford agreed to provide a paper setting out the plans for how this would be managed if the risk materialised. It was agreed that this would remain under Committee oversight and be escalated to Corporation if required.

AW

The Committee **endorsed** the College's Revised 2025/26 Budget Forecast 3 and **recommended** its approval by the Corporation.

The Committee noted that HCE continued to perform well, with an approximate £80k profit expected to be Gift Aided to the College after year-end. A. Woodford confirmed a revised HCE budget forecast had been approved by the HCE Board earlier that day.

The Committee **noted** the update provided for HCE.

3.4 Students' Union finances – projected 2025/26 outturn

A. Woodford reported an improved projected outturn following a change in approach this year. The Committee sought assurance that the Students' Union debt position relating to NUS subscription would not recur, and this assurance was provided by A. Woodford.

The Committee **noted** the Students' Union projected outturn for 2025/26.

3.5 Committee-allocated risks (dashboard)

A. Woodford presented the updated risk dashboard, including inherent, mitigated and residual ratings. He advised, where a score exceeded the agreed threshold, an action plan would be required.

A. Woodford highlighted the following changes since the last meeting:

- Amending Risk 1.2 to reflect the risk of funding not being paid
- Adding a new risk concerning global tensions
- Updating the LRF delivery risk to reflect the impact of the Council and site access/egress

The Committee asked whether the current cash position was sufficiently reflected. It was agreed that the mitigated score for Risk 1.14 was too low and should be increased to reflect the concern.

AW

The Committee **noted** the updated risk position.

4 **2026/27 financial year**

4.1 College budget 2026/27 and three-year plan

A. Woodford presented the proposed budget, three-year plan and CFFR commentary, and the following was highlighted/discussed:

- The 2026/27 DfE funding contract had been received and further growth was projected
- T Level funding would move to a lagged methodology and provision had been made for the associated risk
- The adult education contract had reduced slightly
- Apprenticeship performance had improved following investment in leadership, staffing and quality
- High-needs funding remained uncertain and had therefore been treated cautiously
- The pay budget reflected investment in teaching and support staff to support growth, including the new construction centre and curriculum, for which no start-up funding had been received.
- A prudent 5% pay award assumption had been included
- Non-pay assumptions for 2027/28 were based on informed estimates
- Group EBITDA was forecast slightly below 6% in 2026/27. Approximately £100k of savings would be required to achieve 6%
- The College would retain a “good” financial health score

The Committee sought assurance that the required estates investment for new curriculum was included. A. Woodford confirmed the relevant income and expenditure and lease costs were reflected. J. Carman reported that the new construction centre and curriculum had been discussed at the recent Annual Strategic Conversation with DfE representatives and the College had been invited to submit a business case. A developmental item on curriculum and assessment reform and funding would be scheduled for the autumn.

JCa

The Committee queried the pay percentage shown in the report and sought assurance that support services would receive the investment needed to respond to growth and increased numbers of NEET learners. A. Woodford confirmed this investment was included.

Following discussion, the Committee agreed that an EBITDA level of 6% should be included in the updated budget to reflect the commitment to being a financially strong college.

AW

The Committee **recommended** the 2026/27 budget and three-year plan to the Corporation for approval, subject to making the required amendments for an EBITDA of 6%.

4.2 HCE budget 2026/27 and business plan

A. Woodford presented the HCE budget and business plan, which had been approved by the HCE Board earlier that day. He advised HCE continued to perform strongly and delivered services that would otherwise cost the college more to procure. A profit of approximately £89k was forecast, compared with approximately £83k in the current year.

The Committee **noted** the 2026/27 HCE budget and business plan.

5 **Estates, capital and IT update**

5.1 General update – Estates Strategy

J. Carman presented the proposed scope for the updated Estates Strategy, explaining the College had an ambitious capital programme and that a more considered, curriculum-led response to overcrowding and capacity was needed, while protecting the learner experience. The strategy would support readiness for future funding opportunities and include a SWOT analysis.

J. Carman highlighted the key risks involved, including overcrowding and space utilisation, pressure on estate condition and IT, the student experience, alignment between curriculum and estate, and the need to remain agile and ready to bid. She reported the immediate summer actions focused on delivery of the capital programme, whereas over the following 12–36 months, the College would seek to increase capacity, linked to LRF delivery, and continue to develop high-quality, shared and data-informed learning environments. She advised she had engaged AEC Estates to help produce initial initial maps (at no cost) and that a quotation for further work was awaited. The Committee supported the use of specialist advice, future investment and bids, and the establishment of clear estates KPIs.

The Committee requested that Trinity Point and the Turning Circle be explicitly linked to the strategic risk relating to planning and noted that stakeholder delays, including planning, Sport England and the LRF, continued to present a risk outside the College's direct control.

JCa

The Committee **recommended** approval of the Estates Strategy scope by the Corporation.

5.2 Capital programme report

A. Woodford reported that the Corporation had approved a 25-year lease for Amber Way, with a break at 15 years and an initial rent-free period. The lease supported access to funding and retained flexibility, including the ability to sub-let.

The Committee discussed the length of the commitment. In response it was advised that construction skills demand would continue, the site offered scope for expansion and office/classroom use, and the lease provided flexibility across the estates portfolio, including consolidation of other sites in the future.

The Committee **noted** the capital programme update.

6 Policy review

6.1 Learner Support Fund Policy and Procedures

A. Woodford advised the policy had been updated in line with government guidance. The Committee queried the position for learners aged over 19 and the relationship with support for NEET learners. It was explained that the vulnerable learner fund ceased at the learner's nineteenth birthday, but other options included the College's discretionary support fund and possible use of the adult skills contract.

The Committee **approved** the updated Learner Support Fund Policy and Procedures.

6.2 Corporation Privacy Notice

S.Morley presented the updated Corporation Privacy Notice for approval, which she explained had been reduced to create a more comprehensive version that remained compliant with legal requirements.

The Committee **approved** the updated Corporation Privacy Notice.

6.3 Budgeting Policy

A. Woodford reported that the policy had been updated to reflect the now known 2026/27 funding rates.

The Committee identified some inconsistencies and inaccuracies, including outdated references to the ESFA and dates, and requested that these be corrected before the policy was presented to Corporation.

AW

The Committee **recommended** the Budgeting Policy for approval by the Corporation, subject to the requested amendments.

6.4 Disaster Recovery and Major Incident Policy

A. Woodford presented the draft policy, which he explained was presented for comment and would be developed into a more concise operational document.

The Committee asked about external validation and benchmarking and the reporting of lessons learned and actions to Corporation, as well as providing feedback on terminology and format.

The Committee noted that more work would take place next term, including further external expert input and a desktop exercise covering a range of scenarios. Communication across the wider college community would also be considered. The Committee requested flowcharts and the use of role titles rather than individual names, while retaining both a formal policy and accessible operational material.

The Committee **noted** the draft and **agreed** to submit further comments by email.

AI/AW

6.5 Environment and Sustainability Policy Statement action plan

A. Woodford presented the update and reported good progress was being made, although further work remained. He advised a more concise action plan was proposed for the following year.

The Committee **noted** the action plan.

6.6 HCE Recharge Methodology

A. Woodford presented the updated methodology, which had been developed in line with DfE guidance and was evidence of the clear distinction between HCE and Halesowen College, including assurance that HCE was not being subsidised by the College. He advised the document had been approved by the HCE Board earlier that day and would be signed by J. Carman as Chair of the HCE Board..

The Committee **noted** the HCE Recharge Methodology 2026/27.

6.7 Gift Aid 2026

The Committee noted the historic agreement for HCE profits to be Gift Aided to the College and the associated benefits this brought. A. Woodford advised the HCE Board had approved the 2025/26 Gift Aid payment earlier that day, which would subsequently be presented to the Corporation in July 2026 for college approval.

The Committee **recommended** HCE's 2025/26 Gift Aid payment for approval by the Corporation.

7 **By exception reports**

7.1 Fraud, bribery and money laundering

Nothing to report at this time.

7.2 IT and digital

Nothing to report at this time.

7.3 Regulatory compliance

Nothing to report at this time.

7.4 Sector issues/feedback – DfE funding/finance

Relevant funding and sector matters had been considered under Items 3 and 4.

8 **Any other business**

8.1 Student welfare support

J. Chilton asked whether a charitable foundation or hardship fund could be re-established to support students. J. Carman advised that legal advice was being sought as DfE approval or restrictions under the MPM might apply and highlighted examples of support provided by the college in other ways, such as food-bank support for 14–16-year-olds and the Threads student clothing scheme.

The Committee was supportive of exploring options in the current climate, while recognising the need for caution and consideration of alternative delivery routes if the College could not act directly. It was agreed that the work should form part of the inclusion agenda, consider barriers and risk factors, and an update to be provided to the Committee in the Autumn cycle.

JCa

There was no further business for discussion and the Chair closed the meeting at 7:30pm.

2026/27 meeting dates:

22 September 2026

23 November 2026

18 March 2027

30 June 2026

Actions from this meeting:

Finance & Resources Committee – 25 June 2026			
Ref	Action	Owner	Timescale
1	3.2/HCE management accounts: circulate the corrected balance sheet.	AW	ASAP
2	3.3/RBF3: provide a paper showing the current cash position, forecast low point and mitigating actions.	AW	Next meeting
3	3.5/Risk: increase the mitigated score for Risk 1.14 to reflect the cash concern.	AW	ASAP
4	4.1/Budget: schedule a developmental agenda item on curriculum and assessment reform and funding methodology.	SM/JCa	Autumn 2026
5	4.1/Budget: update the budget to present EBITDA at 6 before submission to Corporation.	AW	July 2026
6	5.1/Estates Strategy: explicitly include Trinity Point and its link to strategic planning risk.	JCa/AW	For Corporation
7	6.3/Budgeting Policy: correct inaccuracies, dates and references to the ESFA before presentation to Corporation.	AW	For Corporation
8	6.4/Disaster Recovery and Major Incident Policy: email comments for incorporation and continue development of the operational document.	All/AW	Next term
9	8.1/Student welfare support: obtain advice, explore possible delivery routes and report back through the autumn cycle.	JCa	Autumn 2026