



REASEHEATH COLLEGE BOARD
FINANCE AND GENERAL PURPOSES COMMITTEE MEETING
Minutes of the meeting held on 4 July 2024 at 9.30am
Committee Room Reaseheath Hall

Present: Malcolm Burns (independent) MB
 Marcus Clinton (principal) MC
 Jane Cowell (independent) JC
 Elizabeth Harrison (independent) EH
 Angela Potter (independent, chair) AP
 Liz Watts (staff) LW
 Paul Weston (independent) PW

In attendance: Graeme Lavery (VP finance and resources) GL
 Louise Woodman (director of people and culture) LWoodman (*items 1 and 2 only*)
 Jackie Schillinger (company secretary and head of governance)

PART A unless stated

item	Content
1.	Opening items
1.1	The meeting was quorate and remained quorate throughout. No declarations of interest were made.
1.2	RESOLVED: Jane Cowell is appointed as a member of the committee and Angela Potter is appointed as chair of the committee.
1.3	RESOLVED: The minutes of the meeting held on 8 February 2024 were approved as a correct record.
2.	Holding executive leaders to account for the performance of staff
2.1	<p>Human Resources Report: LWoodman presented an overview of her report and opened the item for discussion and questions. The key points raised in the discussion were:</p> <ul style="list-style-type: none"> • Confirmation that governor safer recruitment training was provided in the last September governor day, and it would be repeated in September • Consideration of reasons for leaving and any link to the Aspire programme pausing. Impact of the programme has been that the college has seen more confidence in people putting themselves forward for roles, one member has moved to an acting curriculum area manager role and several staff have moved on to new opportunities. The Aspire programme has paused whilst it is adapted to cover different levels of experience. • Discussion on absence, sickness data and the impact/management of stress and burnout, confirmed that the levels are manageable. Support for those experiencing personal stress has included a wellbeing and personal resilience session in the recent staff development day, the development of a stress management policy and access to the college wellbeing team which includes counselling support. The college also refers to external counselling

	<p>support. The college tracks absence patterns, including one day absence frequency, within iTrent and the college uses a 4-year rolling sickness period.</p> <ul style="list-style-type: none"> • Development of the Learning Management System with its current roll out was welcomed and discussion held on the need to retain the digital skills required to manage and develop the system, including the option of a higher-level apprenticeship. • EDI progress and assessment of impact was considered, with the coming year's objectives taking into account ways to measure impact, such as use of forums, setting of KPIs and collection of data, as well as a repeat cultural audit at the appropriate time.
2.2	The committee gave its thanks to LWoodman for all her work for the committee as she moves on from the college to a new role and wished her all the very best for the future.
2.3	RESOLVED: Review of the HR reporting shows a more stable picture on key data with continued effective management of risk.
3.	Exercising effective control to ensure that funds and assets are protected, your organisation remains solvent and legal obligations are met
3.1	<p>Part B Management Accounts, student recruitment and funding: VP Finance and Resources, GL presented the executive summary, including performance against the college financial KPI. Good assurance was taken from this review and no concerns were raised by the executive team in relation to current year financial KPI and covenants. GL explained the expected outturn on the various income streams, with questioning for clarification understanding. Discussion covered the following key areas:</p> <ul style="list-style-type: none"> • Commercial income streams including a review of the catering offer with student union input, the bursary support available, the accommodation offer and the changes to the timetable and increased T level numbers. The need to grow HE numbers, that will in turn support accommodation and consideration of increased block release for apprenticeships • The direction of travel on student debt is positive and the team proactive and effective. • An update on next year's recruitment, with the picture being one of more stability and some indications of possible small growth which should be able to be absorbed within current staffing levels.
3.2	<p>Annual Budget 2024-25 and Financial Plan: GL presented the draft budget for 2024-25 and the committee discussion highlighted the following key points:</p> <ul style="list-style-type: none"> • Test and challenge on the assumptions on income streams, costs and risk levels, particularly in relation to T Level in year retention, utility costs and SEN provision. The committee took assurance that a realistic provision for T level retention and utility costs had been made and that a good track record of achieving SEN funding by the existing team provides confidence on this income stream. • Risk and impact of the external environment including a new government was considered with the medium-term uncertainty noted but with an element of certainty for the immediate year ahead due to the timescales involved with spending reviews. • On apprenticeship income, the ability to utilise employer partner staff was welcomed, with this being a positive outcome from college lobbying, and this could unlock further apprenticeship income from a January cohort that has not yet been exposed in the budget. • The cash position, bank covenants and financial objectives were considered, and assurance taken. Discussion took place on whether surplus was an appropriate KPI in the context of EBITDA being the key indicator for the college, and the committee agreed the matter be considered in detail at its next meeting where financial objectives for the year are reviewed and set.

	<ul style="list-style-type: none"> The committee recognised the proposed budget was tight for 2024-25, with a modest outturn surplus. The committee welcomed the cost of living staff award provision in the budget, currently at 2%, acknowledging that this would need to be reviewed in the context of any changes to statutory wage levels brought in by a new government, as well as the college financial position once recruitment is known in the autumn term. Managing the process of preparing the transfer of the existing loans will start from the new year, with the committed capital expenditure plans and a restricted funds policy, which will allocate reserves above working capital funds to the capital projects including the Lord Woolley Centre project.
3.3	RESOLVED: The Annual Budget for 2024-25 and the Financial Plan are recommended to the Board for approval.
3.4	FE Tuition fees and Bursary Policy: GL presented the tuition fees and bursary policy for 2024-25 for approval. In response to questions, he confirmed that the increase in bursary would be manageable within the current processes and that the college student finance team supports students to navigate the complex system to achieve the best option for them. The committee noted that the college applies the government tuition fees and so there is no flexibility applied and yet formal approval is sought from the board, whereas the bursary policy is a substantive approval.
3.5	RESOLVED: The FE Tuition Fees and Bursary Policy for 2024-25 are recommended for approval.
3.6	Part B item.
3.7	Part B item.
3.8	Health and Safety update: GL provided an update on the actions completed and underway in relation to the RIDDOR incident and subsequent HSE investigation, with assurance that good progress is made. The committee highlighted the need to consider SEN students in its curriculum risk assessment and training plans. GL confirmed that an appropriate financial provision has been made in the current year for the potential exposure, which has impacted the current year outturn.
4.	Strategic risks within committee remit
4.1	Committee strategic risk reporting to audit committee/board: The committee reviewed the risk scores presented by the executive team on the strategic risk areas within their remit and, considering the reporting received in the meeting, supported the proposed risk appetite and risk scoring.
4.2	RESOLVED: The committee reports substantial assurance on the management of strategic risks: Financial targets and budget; Financial sustainability; Infrastructure and resources, and People risk.
5.	Closing items
5.1	RESOLVED: Following full consideration of the request received and considering the current financial position and the potential impact on the college, the approved policy is that the college does not apply the rule of 85 in this case. Action: Principal to respond to request accordingly.
5.2	RESOLVED: The date of the next meeting was confirmed as Thursday 28 November 2024 at 9.30am
5.3	<p>Committee Review and Terms of Reference: The committee considered its cycle of business against its responsibilities under its Terms of reference and in relation to the current meeting, areas of impact highlighted were:</p> <p>Exercising effective control to ensure that funds and assets are protected, your organisation remains solvent and legal obligations are met:</p> <ul style="list-style-type: none"> Monitored outturn in 2023-24 and emphasised the need for the Board and its committees to keep a close eye on the growth and funding indications for next year and take appropriate strategic action as needed.

	<ul style="list-style-type: none">• Review, test and challenge of draft Budget and recommendation to the Board for approval.• Considered and approved expenditure for capital project in line with the college Financial regulations scheme of delegation. <p>Holding executive leaders to account for the performance of staff:</p> <ul style="list-style-type: none">• Able to report continued positive direction of travel on staffing stability, within the context of a challenging environment. <p>Committee terms of reference remain relevant but overall board is recommended to consider delegation of themed areas of health and safety, safeguarding and SEN to clarify how these are considered at committee level for 2024-25</p>
The meeting closed at 12.20pm	

Approved as a correct record 28 November 2024

Angela Potter (Chair)