



REASEHEATH COLLEGE BOARD
FINANCE AND GENERAL PURPOSES COMMITTEE MEETING
Minutes of the meeting held on 3 July 2025 at 9.30am in the Committee Room

Present: Malcolm Burns (independent)
 Marcus Clinton (principal)
 Jane Cowell (independent)
 Elizabeth Harrison (independent)
 Martin Mellor (independent)
 Angela Potter (independent, chair)
 Paul Weston (independent)

In attendance: Graeme Lavery (VP finance and resources)
 Vanessa Rhodes (director of people and culture) (*items 1 to 3 inclusive*)
 Jackie Schillinger (head of governance)

PART A unless stated

item	Content
1.	Opening items
1.1	There were no apologies received in advance of the meeting. There were no declarations made in relation to the agenda items. Committee member Jared Erskine was not in attendance. The meeting was quorate and remained quorate throughout.
1.2	RESOLVED: The minutes of the meeting held on 13 March 2025 were approved as a correct record.
Corporation Core Function Accountabilities	
2.	Holding executive leaders to account for the performance of staff
2.1	<p>Human Resources Report: The Director of People and Culture presented her report, including picking up the points raised in the previous meeting to look at the impact of actions to reduce short term sickness and an overview of stress related absence and whether this is an issue. The main points covered were:</p> <ul style="list-style-type: none"> • Short term absence process has had a positive impact on data. Short term stress absence - the detail indicates that it is related to personal issues and there is no theme emerging related to work related stress. Continue to monitor this and report next time. • 4Es strategic objects progress and update on work undertaken included staffing capacity in HR team and expertise overview, small number of redundancies this year, all without appeal and low statutory costs, with a saving in line with the Save Invest Grow strategy. • In response to questioning, it was explained that the efficiencies were necessary due to low student numbers and negative contribution such that a reduction in provision and staffing was needed, and a restructure of two departments following consideration of the Ofsted inspection feedback.

	<ul style="list-style-type: none"> Employee assistance offer is an increased benefit for employees this year. Performance management process has seen impact. Professional conduct matters were a theme in some of these cases. Staff development session in place to reinforce the expectations and staff code of conduct and this will be monitored closely. Worker protection act awareness and training rolled out to all staff. Supreme court judgment and impact for the college. Need guidance from EHC and AoC. Most areas of the college now have gender neutral facilities; there are some areas less so in the older parts of the college and these are being converted. The current approach in residential halls is retained for now, awaiting further guidance from the EHC and AoC.
2.2	RESOLVED: Review of the HR reporting showed an improved picture on key data, with assurance received on active management of short-term sickness absence and review of stress related absence not showing as a concern regarding work related stress or the Reaseheath Way.
3.	Exercising effective control to ensure that funds and assets are protected, your organisation remains solvent and legal obligations are met
3.1	<p>Student Recruitment and Funding Report: The vice principal finance and resources provided information to the committee on the enrolled students by funding streams showing whether associated income is in line with the college budget and contract allocations. Funding streams and risk areas were considered. In the discussion that followed, question and response included:</p> <p>Are there areas we should be expanding into further over the next few years?</p> <ul style="list-style-type: none"> Apprenticeships is an area of growth but with challenges on staffing capacity, but with new government funding, this could help us attract and retain the right staff. 16-19 is key area to grow due to funding rates. Land based student is now funded to a similar level as a higher education student. It will be important to maintain growth in land based. Currently animal management and equine are showing growth for next year, so this is helpful for the college's land-based provision mix. <p>Any areas for concern or to consider reducing activity in, for example the higher education provision has proved difficult to grow and for a number of years it has not achieved its budget.</p> <ul style="list-style-type: none"> HE has been a concern, but this year there is expectation of increased internal progression and increased first year intake. There is also the new masters provision so it is looking as though it is going in the right direction. T level numbers should flow into HE progression and there is new provision in areas of growth like engineering, construction with an HE offer. It is worth pursuing higher education for many reasons, but it does need to have growth and not decline. The provision is very good quality. It is also worth noting that the change to the relationship with the university partner will allow for more growth and this will be seen from 2026 onwards.
3.2	RESOLVED: On student recruitment good signs of some growth going into next year on FE full time and land-based sector areas with increased funding for these areas. On HE income, there are indications of improved internal progression and first year growth as well as curriculum development in place and planned, to support growth including increased flexibility in validation partner.
3.3	Management Accounts: Reported an improved outturn since the previous meeting, with current year mitigation and funding position improving to a moderate adverse impact of circa

	<p>£250,000 deficit, and a comfortable cash position not at risk. Several matters were raised in discussion:</p> <ul style="list-style-type: none"> • Welcome improvement in farm income. Benefit coming from vector feeding system with better quality of feed to stock production and quality of milk improved with a larger herd. • Question on debt recovery, assurance given that the outstanding amounts are being actively managed and expected to be received, with a good process in place and good success in recovery. • Noted transfer of the college medium term loan to the treasury over the next twelve months, already in discussion and interest rate/cost of servicing the debt will be less going forwards. • Question on cash position and assurance received.
3.4	<p>RESOLVED: Reasonable assurance reported on meeting budget targets with risk exposure reducing to moderate in the current year due to mitigation in year and the FE Commissioner Financial Benchmarks were received for information and assurance that the next meeting will review the annual financial KPIs in line with these financial benchmarks</p>
3.5	<p>Draft Budget 2025-26 Financial Plan and Commentary: The vice principal finance and resources presented the draft budget for 2025-26 including budget assumptions and sensitivity. The key message was that the projected position had improved due to government funding increases on the 16-19 student base rate and programme weighting due to land-based provision. The other aspect was the retention figure in the funding formula, so an increase in retention means more funding for next year. In addition, on growth the increased work on school partnerships with the new roles should drive numbers and growth, with an impact on the 16-18 pipeline numbers. The committee test and challenge discussion highlighted the following key points:</p> <ul style="list-style-type: none"> • Excite strategy. Demographics changing including in social and ethnic diversity, so the college needs this awareness in targeting its Excite strategy. • Assurance sought on the boot camp funding assumptions in terms of margin and staffing capacity to deliver. Assurance received with the government funding for next year providing opportunity to target support for hard to recruit staffing to create capacity to deliver. • Clarity that the staffing salary support for all staff is 4% in the budget for cost of living pay award (April) on top of incremental increases in line with contract scales (Oct). Noted that the living wage is an inflationary pressure, so this does have an impact but there is also an element of compression, as it is a balance. Important to note that those at the lowest salary scale have seen an increase of circa 28% over the last few years. • Important to keep the committee updated on timeline and process on transfer of debt in 2026, with confirmation that the planned student social learning space capital project (Lord Woolley) will require college cash above the limit needed for every day operations and therefore the college will need restricted reserves for this strategic priority project. • IT systems spend was interrogated to understand what it consists of and efficiency. • Consider looking in more detail at what is under 'support staff' and how efficient this is, so that the committee can gain a better understanding.
3.6	<p>RESOLVED: The Annual Budget for 2025-26 and the Financial Plan including a 4% cost of living all staff pay award (from April 2026) are recommended to the Board for approval.</p>

3.7	RESOLVED: The FE Tuition Fees and Bursary Policy is recommended to the Board for approval for 2025-26 academic year, noting the difference in adult learner funding anomaly which may have a minor impact on the college in the current year, but will be resolved for the following year. Working through this with the DfE finance team.
3.8-3.9	<u>Part B Confidential</u> Estates Development and Property Report.
3.10	<p>Questions and comments on the estates and property report in general included:</p> <ul style="list-style-type: none"> • A question on testing dust levels in the construction department. The vice principal finance and resources confirmed that a company is coming in to carry out testing of dust extraction and actions needed to ensure effectiveness, which may need investment in a portable dust extraction unit and/or other equipment such as the wearing of masks in certain areas. The timeline for the work is September/October, with full implementation by January/February. It was noted that testing was also being carried out in other areas such as bakery, equine/farm. • The recommendation that the strategic estates plan with priorities and timelines be made to the estates group and then the committee in the autumn term, recognising the need to be responsive and flexible, so that this can be formally approved at board level.
3.12	RESOLVED: The committee supports the strategic priority of the student social learning space Lord Woolley centre project and reports partial assurance on the management of risk in this area recognising that whilst the infrastructure projects have progressed very well, action on the ring main project and a clearer articulation of the strategic masterplan are needed to gain more substantial assurance on this strategic risk area.
4.	Closing items
4.1	<p>RESOLVED: The committee reports to the audit committee on its review of strategic risk assurance within its remit as follows:</p> <p>SR1 Risks arising from weaknesses in the management of business planning, budgeting and income/commercial targets resulting in poor performance, inefficiency, poor value for money and/or failure to meet business requirements/objectives.</p> <ul style="list-style-type: none"> • The committee takes reasonable assurance on the management of risk in this area based on period 10 with positive impact of in year mitigations reducing adverse position to moderate impact at year end. <p>SR2 Risks arising from not managing finances in accordance with requirements and financial constraints resulting in failure to manage assets/liabilities or to obtain value for money from the resources deployed, and/or non-compliant financial reporting.</p> <ul style="list-style-type: none"> • The committee takes reasonable assurance on the management of risk in this area based on the draft budget and financial plan. <p>SR6 Risks arising from a failure to manage property and resources to support strategy and exploit to full potential and to maintain business continuity; a failure to produce robust and appropriate data/information and to exploit data/information to its full potential; technology not delivering the expected services due to inadequate or deficient system/process development and performance.</p> <ul style="list-style-type: none"> • The committee takes partial assurance on the management of risk in this area recognising that whilst the infrastructure projects have progressed very well, action on the ring main project and articulation of the strategic masterplan are needed to gain more substantial assurance on this strategic risk area.

	<p>SR7 People risks arising from the unavailability of sufficient capacity and capability, ineffective leadership and engagement, suboptimal culture or HR policies resulting in negative impact on performance.</p> <ul style="list-style-type: none"> The committee takes reasonable assurance on the management of risk in this area recognising that leadership needs to keep an eye on the embedding of the Reaseheath way.
4.2	The committee thanked Angela Potter for her contribution to the committee including as chair of the committee for the last year, as she stepped down from her role as a member of the board at the end of the current academic year.
4.3	RESOLVED: The committee was satisfied that it had met its terms of reference and planned cycle of business for the year and recommended its reviewed terms of reference for approval. It cited impact in test and challenge on estates matters, equality diversity and inclusion annual reporting and the deep dives into staffing matters. On membership, it was recommended that a further member with finance expertise be recruited as a full or co-opted member.
4.5	RESOLVED: The date of next meeting was confirmed as Friday 5 December 2025 at 10.15am with an additional Teams meeting called before then, as needed.

The meeting closed at 12.25pm

Approved as a correct record 5 December 2025

Paul Weston, Chair