

MINUTES OF THE FINANCE AND RESOURCES COMMITTEE MEETING (no.52)

HELD ON 26 NOVEMBER 2025 AT 6.00 PM VIA MICROSOFT TEAMS

Present: S. Collinge (Chair), J. Booker, W. Johnson (Principal and Chief Executive), and T. Narey.

In Attendance: J. Sherrington (Vice Principal and Deputy Chief Executive)
J. Whiteside (Executive Director of Finance)
Anne-Marie Nixon (Interim Director of Governance)

32. Appointment of Chair

32.1 Ms. Nixon introduced the item, advising the Committee that there was one nomination for the role.

Ms. Collinge left the meeting at 6.07 p.m.

32.2 Ms. Booker nominated and Mr. Narey seconded the appointment of Ms. Collinge as Chair for 2025-26.

Resolved – that Ms. Collinge be appointed as Chair of Finance and Resources Committee for 2025-26.

At 6.08 p.m. Ms. Collinge returned to the meeting and was advised of the outcome. Ms. Collinge took the Chair

33. Appointment of Vice Chair

33.1 Ms. Nixon advised the Committee of the benefit of having a Vice Chair, reminding members that only independent governors could be appointed as Chair or Vice Chair.

33.2 In the absence of any nominations in advance of the meeting, Mr. Narey was invited to act as Vice Chair for the 2025-26 year and he indicated his willingness.

Resolved – that Mr. Narey be appointed as Vice Chair of Finance and Resources Committee for 2025-26.

34. Attendance of College Management

Submitted: Extract from the current Constitution and Terms of Reference for the Finance and Resources Committee (previously circulated and copy attached to Official Minutes)

34.1 The Committee noted the contents of the extract, and it was:

Resolved – that: the College Management Staff be invited to attend the meeting.

35. Apologies for Absence

35.1 There were no apologies for absence.

36. Declarations of Interest

36.1 All members and officers present declared that they had no interests, personal, fiduciary or otherwise in any of the business on the agenda for the public meeting.

37. Minutes of the Committee Meeting (no. 51) held on 25 June 2025

Submitted: Minutes of the Committee Meeting held on 25 June 2025 (previously circulated and copy attached to Official Minutes).

Resolved – that the minutes of the meeting held on 25 June 2025 be approved as a correct record and be signed by the Chair.

38. Matters Arising

38.1 There were no matters arising from the minutes.

39. Discussion re Reporting Priorities for the Year

Ms. Nixon confirmed that this item had been put on the agenda for discussion to enable members to review the schedule approved in June and consider whether there were any additional reports they would like.

39.1 During discussion members confirmed that they were happy with the approved schedule and had no further reporting suggestions.

Resolved – that the 2025-26 schedule of business agreed on 25 June 2025 continue, without amendment.

40. Financial Statements for 2024-25 and External Audit Findings Report

Submitted: Report from the Executive Director of Finance and Vice Principal and Deputy Chief Executive and Report from RSM (previously circulated and copy attached to Official Minutes)

- 40.1 Ms. Sherrington presented the two reports, advising members that the Audit Findings Report had been updated since it was considered by Audit and Governance Committee on 11 November 2025. Members' attention was drawn to the materiality level and the fact that there had been no changes made by RSM to the draft figures produced by the Finance Team.
- 40.2 With reference to the unadjusted misstatements, Ms. Sherrington explained how the extrapolated amount was calculated, highlighting that the actual error was small and work was ongoing to ensure that the errors were fully addressed and were not repeated next year.
- 40.3 During discussion of the bad debt provision control observation, Ms. Sherrington advised the Committee that the College would review bad debts to evaluate the recoverability of outstanding amounts, considering court judgments and existing payment plans. Following this review, a recommendation would be made based on the suggested action, including the possibility of applying to have the bad debts written off.
- 40.4 With reference to the control observations relating to Apprenticeships and Skills, Ms. Sherrington reported that these were being addressed at pace and that there was an Internal Audit of Apprenticeships and Skills scheduled for February 2026, in addition the new executive Director of MIS and Business Innovation was conducting regular mini audits and sampling compliance.
- 40.5 In response to a member's question relating to the nature of the bad debts, Ms. Sherrington reported that these were largely residential fees, with some HE tuition fees. During discussion, Ms. Sherrington highlighted that if it were economical to take bad debts to court, the College would pursue them through legal proceedings.
- 40.6 At the invitation of the Chair, Ms. and Ms. Whiteside guided members through the key highlights of the Financial Statements for 2024-25. Members noted that income had increased to c.£41M and staffing costs had increased in-year (taking account of pay awards and restructuring costs). Ms. Sherrington confirmed that non-pay and depreciation costs were similar to the previous year and the result was a deficit of £231k (excluding pension costs but including the restructuring costs).

- 40.7 Members noted that the DfE rating was good for financial health and that the cashflow remained strong, although lower than anticipated on account of restructuring costs. Ms. Sherrington confirmed that staffing numbers had reduced in-year, although the increase in NI employer contributions had contributed to the deficit position.
- 40.8 During detailed discussion of staffing costs, Ms. Sherrington highlighted the Principalship's commitment to staffing efficiencies and referred to the work underway to enable the College to have fewer, higher paid, staff. Members were advised that the staffing costs included the 2024-25 pay award. The Chair questioned the restructuring cost provision for 2025-26 and Ms. Sherrington confirmed that this was relatively small.
- 40.9 In concluding the discussion, the Chair recommended that the Financial Statements be recommended to the Corporation for approval.

Resolved – that the 2024-25 Financial Statements and Audit Findings Report be recommended to Corporation for approval.

41. Annual Review of Financial Regulations

Submitted: Report from the Executive Director of Finance (previously circulated and copy attached to Official Minutes)

- 41.1 Ms. Sherrington and Ms. Whiteside presented the report, drawing members' attention to the key changes as follows: DfE Principal salary levels and severance payment levels (page 7), changes to levels for financial sign offs for the Principal and Chief Executive, Vice Principal and Chief Executive and Executive Director of Finance (page 18) and legal advice and costs (page 49).
- 41.2 During discussion the Chair questioned paragraph 9.7.4 (page 34) relating to the increase in the protection limit for funds held in a single bank account from 1 December 2025 and Ms, Whiteside undertook to amend this to £120k. Members supported the proposed changes.

Resolved – that the revised Financial Regulations be submitted to the Corporation for approval, subject to the updated Terms of Reference for Audit and Governance and Finance and Resources Committees (once approved) replacing the existing appendices.

42. Tuition Fees Policy 2026-27

Submitted: Report of the Vice Principal and Deputy Chief Executive and the Executive Director of Finance (previously circulated and copy attached to Official Minutes)

42.1 Ms. Whiteside presented the report, drawing attention to the proposed changes, particularly paragraph 3.8, which had been reviewed to ensure more timely fee advice.

Resolved – that the Tuition Fees Policy for 2026-27 be approved.

43. Overseas Visits Report 2024-25

Submitted: Report of the Executive Director of Finance (previously circulated and copy attached to Official Minutes)

43.1 Ms. Whiteside guided members through the detailed summary of the 23 overseas trips, before inviting members' questions and comments. A member questioned insurance for the trips and Ms. Sherrington reported that the College had specific insurance for each trip and asked all attending students to obtain their own insurance, which tutors checked before the trip. The Committee noted that the College also discussed all trips in advance with the College's insurance broker. Ms. Sherrington undertook to provide a summary of insurance provision for the next meeting of the Committee.

Resolved – that the report be accepted and an insurance summary be provided at the next meeting of the Committee.

44. Annual Review of the Committee Terms of Reference

Submitted: report of the Interim Director of Governance (previously circulated and copy attached to Official Minutes)

44.1 Ms. Nixon introduced the report, noting that references to the ESFA needed to be changed to DfE. All members confirmed that they had read the report in advance and had no further amendments to suggest.

Resolved – that the Corporation be recommended to approve the revised Terms of Reference for Finance and Resources Committee.

Anne-Marie Nixon,

Interim Director of Governance

4 December 2025