

### THE CORNWALL COLLEGE GROUP

#### Minutes of the Finance and Resources Committee meeting held on 27<sup>th</sup> January 2025 at 17:30 on Microsoft Teams

##### Committee members present

|               |    |                |                  |    |
|---------------|----|----------------|------------------|----|
| Geoff Warring | GW | Chair          | Patrick Newberry | PN |
| Rob Bosworth  | RB | Principal & CE | Mark Rands       | MR |
| Will Charnley | WC |                |                  |    |

##### In Attendance

|               |    |  |
|---------------|----|--|
| Mathew Davies | MD | Director of Finance (Interim)                              |
| Tian Bersey   | TB | Clerk to Governors   |
| Jayne Ninnes  | JN | Director of People & Culture (items 1-6)                   |
| Lisa Pill     | LP | Director of Estates & Capital (items 7&8)                  |
| Paul Ramshaw  | PR | Vice Principal, Data, Funding, & Compliance (items 9 & 10) |
| Steve Cant    | SC | Head of IT (item 9)  |

| Number     | Item  | Action |
|------------|---|--------|
| <b>1</b>   | <b>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST</b><br>Apologies were received from Ellen Winsor.<br><br>There were no further declarations of interest to declare.  |        |
| <b>2</b>   | <b>MINUTES OF THE MEETING HELD ON 24 JUNE 2024</b>  |        |
| <b>2.1</b> | The minutes of the meeting held on 18/11/2024 were agreed to be an accurate record of the meeting.  |        |
| <b>2.2</b> | <b>MATTERS ARISING</b><br>The Committee received the matters arising report.  |        |
| <b>3</b>   | <b>PIMS (Post Intervention Monitoring and Support) MEETING WITH DFE</b><br>The Principal reported on the meeting with the DfE on 19 December 2024. The FE Commissioner also joined the meeting. Minutes from the meeting were distributed in the meeting pack. Actions from the meeting are being worked through. |        |
| <b>6</b>   | <b>BUSINESS EFFICIENCY GROUP (BEG) UPDATE</b><br>The Director of People and Culture presented the written report on the setting up of the BEG and actions to date.<br><br>Further detail is recorded in the confidential minutes.   |        |
| <b>7</b>   | <b>PENHALIGON</b><br>The Chair welcomed the Director of Estates and Capital to the meeting who presented an update on the transfer of Penhaligon.<br><br>Further detail is recorded in the confidential minutes.  |        |

|                        |  |  |
|------------------------|--|--|
| 8                      | <p><b>CAPITAL AND PROPERTY UPDATE</b></p> <p>The Committee received the Capital and Property written report.</p> <p>A committee member asked if there was a figure for the amount of work to do on the estate. The Director of Estates and Capital reported that there was a significant amount to do on the Landbased estates. Priorities for any capital investment will need to have maximum impact. The next round of capital funding is likely to have a formula based allocation.</p>  |  |
| 9                      | <p><b>IT LEASING</b></p> <p>The Chair welcomed the Vice Principal, Data, Funding, &amp; Compliance and the Head of IT to the meeting.</p> <p>The Head of IT presented a plan to</p> <ul style="list-style-type: none"> <li>▪ The data centre and move to Windows 11 as priorities and to ensure compliance with cyber essentials which is an ESFA requirement.</li> <li>▪ Advantages of leasing versus maintaining.</li> <li>▪ Estimated costs of leasing.</li> <li>▪ Recommendation to use Dell Financial Services based on previous good experience and no punitive end of lease costs.</li> <li>▪ The College will not own equipment at the end of the leasing period.</li> <li>▪ Plans to try and minimise exposure and replace based on need.</li> </ul> <p>The Director of Finance reported on the implications of leasing on the 2024/25 and 2025/26 budgets, capital budget and EBITDA.</p> <p>A committee member asked if the data centre would be on the premises rather than in the cloud and the Head of IT confirmed that with no cloud tariffs for education the cloud option was not affordable.</p> <p>The Committee agreed that leasing was currently the only solution for the College and supported the leasing plan.</p> |  |
| 10<br>10.1<br><br>10.2 | <p><b>SUBCONTRACTING</b></p> <p><b>Update on the financial aspects of subcontracting activity for 2024/25</b></p> <p>The Committee received the progress report on Sub Contracting.</p> <p><b>Plan and strategy for 2025/26</b></p> <p>The Committee noted the plan and strategy for 2025/26.</p> <p>The Committee discussed the management fee cap of 20% imposed by the DfE; reducing overall allocation and the opportunities and risks involved with building capacity online.</p>   |  |
| 11<br>11.1             | <p><b>GROUP FINANCIAL UPDATE</b></p> <p><b>including November Management Accounts, Cashflow, Cash Generation Statement, Debtors and Creditors, and Forecast– Confidential</b></p> <p>The Committee received the November Management Accounts and noted that the December Management Accounts are being finalised.</p> <p>The Director of Finance updated the Committee on performance against forecast.</p> <p>A committee member asked about the debtor and creditor balances. The Director of Finance reported that debtor data is impacted by the timing of raising invoices for HE fees and any agreed payment plans. He also briefed the committee on 3 invoices in excess of £50k that the College are chasing for payment. Debtors are reviewed on a fortnightly basis and he would like to change the charts to split out true debt from agreed payment plans.</p>   |  |

|                                  |   |  |
|----------------------------------|---|--|
| <p><b>11.2</b></p>               | <p>The committee further discussed the impact of debtor balances on cash flow, the value in modeling recent income history; debt beyond 90 and 120 days after which a debt recovery company is engaged and creditor balances.</p> <p><b>Financial Approvals</b></p> <ul style="list-style-type: none"> <li>• <b>Approval of orders over £100,000 ex VAT – and recommendation of over £250,000 to Board</b><br/>The Committee agreed to recommend to the Board for the approval payment for the leasing of a data centre over 5 years.</li> <li>• <b>Asset disposals</b><br/>None.</li> <li>• <b>Debtor write offs</b><br/>None.</li> <li>• <b>Overseas expenses</b><br/>None.</li> </ul> <p><b>11.3</b></p> <p><b>Regulatory Update (if needed)</b><br/>None.</p> |  |
| <p><b>12</b><br/><b>12.1</b></p> | <p><b>POLICY &amp; COMPLIANCE MATTERS</b></p> <p><b>Update to Fees Policy</b><br/>The Committee approved a minor change to item 3.3.4 updating the personal earnings threshold to £32k in the Fees Policy.</p>  |  |
| <p><b>13</b></p>                 | <p><b>RISKS IDENTIFIED / ASSURANCE NEEDED</b><br/>The Chair noted that key risks had been discussed throughout the agenda.</p>  |  |
| <p><b>14</b></p>                 | <p><b>ITEMS TO SHARE WITH BOARD / OTHER COMMITTEES</b><br/>The Committee noted that the Board will receive a financial update on Friday 31 January 2025.</p>  |  |
| <p><b>15</b></p>                 | <p><b>DATES OF NEXT MEETINGS</b><br/>10 March 2025<br/>28 April 2025<br/>23 June 2025</p>   |  |