MINUTES OF THE FINANCE AND RESOURCES COMMITTEE MEETING HELD ON 4 DECEMBER 2025 AT 9.30 AM IN THE BOARD ROOM, THOMPSON, THE ROUNDHOUSE, DCG

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Present: Martyn Marples (Chair), Simon Allsop, Andrew Cochrane, Mandie Stravino

In attendance: Jo Clifford, Heather Kelly, Richard Marshall
Rose Matthews (Clerk)

		Action	Date
13/25-26	**WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE**		
	The Chair welcomed Simon Allsop, Simon would be taking over as FRC Chair at the next meeting.		
	This was also Richard Marshall's first meeting in post as Finance Director.		
	Introductions took place		
14/25-26	**DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM**		
	All members were eligible, the meeting was confirmed to be quorate.		
	AC declared an interest in the Free Speech Policy as Chairman of Flint Bishop.		
15/25-26	**MINUTES OF THE PREVIOUS MEETING HELD ON 15 OCTOBER 2025**		
	RESOLVED: The minutes of the meeting held on 15 October 2025 were approved as a true and accurate record.		
16/25-26	**MATTERS ARISING**		
03/25-26	The Terms of Reference were recommended to the Corporation for approval. COMPLETE		
06/25-26	The Committee recommended the SOFOS solution to the Corporation for approval. COMPLETE		
07/25-26	The Director of Estates to benchmark property rent for the St James Centre with the Group's property advisor and the		

Committee to recommend the approval of the St James lease subject to the above. COMPLETE

08/25-26 Complete a clear risk analysis and strategic rationale in the Corporation report regarding the Hudson Building Extension prior to presentation and once complete, seek Corporation approval. COMPLETE

09/25-26 The Committee recommend the Corporation approve the initial expenditure of the fire doors, including contractor selection. COMPLETE

10/25-26 The Management Accounts Financial report be updated to reflect the financial journey of the College. COMPLETE

11/25-26 Employee Engagement and Sub-contracting policies be approved by the Corporation. COMPLETE

17/25-26 FINANCE REPORT – MANAGEMENT ACCOUNTS (PERIOD 3), INCLUDING

- **MANAGEMENT ACCOUNTS**
- **CAPITAL REPORT**
- **CONTRIBUTION**

The CFO provided a brief update for members on the 2024-25 statutory accounts. The Audit had not fully concluded, there remained some formatting and wording changes to the reports. The only late change related to increasing the dilapidation cover which she outlined to members.

The College did achieve the KPIs for last year, with a positive outturn. The only KPI which is high is the pay against income, which the DFE may challenge, but the College were less committed to achieving given current financial health.

The DFE funding audit was discussed and the potential impact this could have if there were any adverse findings prior to the statutory accounts sign off.

The Committee Chair asked how the Corporation can be assured the financial statements can be signed off. The Corporation Chair asked if the College were anticipating a problem. The CFO confirmed they were not.

SA asked if the CFO could reach out to other colleges in similar circumstances.

In summary the College were in a good financial position and it was anticipated the statutory accounts would be signed off at the Corporation meeting on 11 December.

The CFO went onto present the Period 3 Management Accounts, which presented a strong position with EBITDA significantly ahead of budget.

The College were slightly down on adult skills and direct deliver and ahead on sub-contract partners this year with adult skills funding likely to be met.		
Apprenticeships were ahead on income and with a positive number of new starts.		
Other funding variances showed the nursery was performing better than budgeted and likely to be linked to Early Years Childcare place funding.		
Pay was outlined and the College were pleased to accommodate the National Living Wage.		
A discussion took place in relation to vacancy drift and **MM asked if that had an impact on provision.** It was noted they are covered quite effectively and some vacancies related to back office staff and some were new roles that had not yet been recruited to.		
Members had previously approved the non-consolidated award (funded from the improved EBITDA performance) linked to the completion of the College external audit which was now complete and signing of the accounts. Risks were discussed with regards to the DFE funding audit, which may delay approving the accounts until later than usual which, if linked to the audit would affect the payment of the non-consolidated.		
It was proposed to process the non-consolidated pay award in December payroll as planned (provision already in place) and remove the link to the signing of the accounts. This would not impact the College's financial health given the EBITTDA last year. This was also proposed for the CEO, SPHs and the Clerk, all of which were acceptable under MPM guidelines.		
Members discussed based on risk, Members noted financial health was strong and it was noted that this had also helped the College with industrial relations.		
RESOLVED: The Finance and Resources Committee recommended the Corporation approve the non-consolidated pay award as per the agreed budget. This was also recommended for the CEO, SPHs and the Clerk, all of which were acceptable under MPM guidelines.	Chair	11/12/25
Savings were noted in relation to non-pay, due to prudent budgeting around energy consumption. Members were also appraised of capital grant releases and plans for FE capital grants which would be presented at a future meeting. They also noted the Transformation grant report which featured on the agenda.	CFO	11/03/26
Reforecasting was close to conclusion, with all support areas performing better than budget.		
The position with Lennartz was discussed and the Clerk agreed to share the Lennartz report to Members from 2022 with SA.	Clerk	05/12/25

	Contribution analysis, cashflow, covenant and capital updates were also shared and an increase was requested to the College capital budget following receipt of detailed business cases for essential projects and IT security for the firewall and server storage infrastructure replacements, which SLT had reviewed and supported. **SA asked if the upgrades related to changes in regulation or a refresh programme with regards to IT.** It was explained this related to replacing end of life devices for better protection. **SA asked if the College could benefit through a consortium with other colleges.** It was explained this was carried out through College frameworks, but the College had made an appeal to the DFE with regards to cyber security through their collective, but were awaiting a response. The College also network with JISC.		
	RESOLVED: The Committee recommended the increase in the College capital budget to the Corporation at a maximum value of £275,000.	Chair	11/12/25
	RESOLVED: • **The Committee accepted the report noting the Draft Financial Report, KPI's and contribution analysis to 31 October 2025 (P3).** • **Note the position regarding financial health and covenants.** • **To noted capital update and project progress to October 2025 (P3).**		
18/25-26	**FINANCIAL HEALTH DASHBOARD** The CFO shared the DFE Financial Health Dashboard, which was based on the submission of the CFFR in July 2025. Attention was drawn to the comparisons with other colleges, with less colleges predicting to be a in RI or inadequate. An appendix to the report was the DFE letter which confirmed the college's financial health grading. **SA questioned how much influence this had on how the DFE regulate the College.** The CFO explained there was a criteria for intervention and bailout schemes. However, the benefits of the financial health rating allowed the College to bid for certain projects. An example was the recent CTEC bid. **RESOLVED: The Committee received the Financial Health Dashboard and noted the accompanying DFE financial health letter.**		
19/25-26	**TRANSFORMATION CAPITAL GRANT** The CFO outlined the current status of the Transformation Capital grant to provide assurance regarding utilisation of funds within the grant deadline (31 March 2026).		

Work was progressing and orders had been approved for the majority of the spend, with procurement progressing.

The fire doors were the only outstanding item. The Director of Estates was confident the work would be completed within the timeframe.

Members questioned the completion dates in line with the grant agreement and key risks were shared, of note was the Roundhouse decoration which had encountered challenges.

The Committee Chair asked if it was a tight timescale to turnaround. The CFO explained it was the quantity of the projects, which have been ongoing the same time as the newbuilds. Some works have to be completed when there is no activity in College as there is no other facility to accommodate the students.

The works related to improving the estate with a condition survey highlighting priority areas. The College had to evidence the change in condition as a funding condition.

The Committee Chair asked if the Estates team were looking at lessons learned. The DCEO explained they were and a new member of staff had been appointing to progress the projects.

SA discussed the clawback conditions, which were discussed with the Executive.

RESOLVED: The Committee accepted the report.

20/25-26 PROCUREMENT UPDATE: SECURITY

The CFO outlined the proposed approach to the security services contract, when ends on 30 April 2026.

The College Procurement Regulations require competitive tendering or procurement via an established compliant framework agreement.

Under the CPC Framework Constant have submitted a proposed for a direct award, with a detailed proposal for a direct award which included KPIs, social value/environmental commitments and added value.

The proposed equates to a 4.1% uplift to existing rates (based on national minimum wage rates effective from 1 April 2026), but represents value for money against the CPC framework and other factors outlined in the report and is with the College's budget allocation.

Constant are the CPC's top scoring suppler at the framework level and the College have been very satisfied with their services, which have been flexible in the Colleges changes to the scope of works.

It is proposed to recommend a direct award of the contract, for a

	period 4 years with the option to extend for a further one year. **RESOLVED: The Committee recommended the direct award of the contract, for a period of 4 years with the option to extend for a further one year, to the Corporation.**	Chair	11/12/25
21/25-26	**POLICY REVIEW:** • **FREE SPEECH AND EXPRESSION CODE OF PRACTICE** The Director of HR joined the meeting to provide updates Free Speech and Expression Code of Practice, which included changes following OFS legislative requirements. It introduced a three-step framework for assessing compliance. The Director of HR had worked with Flint Bishop to ensure the requirements around the legal framework. **The Committee Chair pointed out the Act came out in 2023 and asked why the delay.** It was pointed out that it came into effect in August 2025, but there had been some delays in roll out due to changes in the guidance by the OFS. It was noted AC had declared an interest in this item and abstained from the resolution. **RESOLVED: The Committee recommended the Free Speech and Expression Code of Practice to the Corporation for approval.** It was noted this was Martyn Marples' last meeting as Committee Chair and the Committee expressed their thanks to Martyn.	Chair	11/12/25

The meeting finished at 10.30 am