

Minutes of: Finance and General Purposes Committee

Date: 4:30pm on 29th September 2025 **Location:** A5, College Road Campus

| Present | In attendance |
|---|--|
| <ul style="list-style-type: none"> ▪ Nicola Hewitt (<i>Chair</i>) ▪ Abigail Appleton (<i>Principal & CE</i>) ▪ Peta Darnley ▪ John Auckland <p>Collectively referred to as the “<i>Committee</i>” and individually as a “<i>Committee Member</i>”</p> | <ul style="list-style-type: none"> ▪ Tim Williams (<i>Finance Director, “FD”</i>) ▪ Abigail Boyce (<i>Clerk to the Corporation, “Clerk”</i>) |
| <p>Quoracy: Meeting was quorate in accordance with paragraph 1 below.</p> | <p>Absent: Clive Hodgeman</p> |

1. Quorum

The meeting was duly convened as a quorum as three members were present, satisfying the quorum requirement set out in Section 2, Clause 2.2 of the Standing Orders (*Finance and General Purposes Committee of Reference*).

2. Apologies and Declarations

- a. **Apologies for absence:** apologies for absence were received from Clive Hodgeman.
- b. **Declarations of interest:** there were no new declarations of interest.

3. Minutes of last meeting

- a. **Approval of minutes of meetings held on 23rd June 2025:** the minutes were approved as a true and accurate record.
- b. **Matters Arising:** The Committee noted that all actions had been completed or were in progress. The Chair enquired about the timeframe for an outstanding matter relating to the Capital Programme. A verbal update will be provided in November, with supporting papers to be presented to the March FGP meeting.

4. Strategy and KPIs: KPIs and Objectives for Committee

The Committee reviewed recruitment targets and noted some areas were slightly behind schedule. It was noted that FE recruitment is hoped to increase next year through demographic trends, strengthened marketing efforts, and improved relationships with parents. There will be a strategic focus on a smaller number of key schools with larger student cohorts, rather than a broad-based approach. It was further noted that post-16 students appear increasingly interested in vocational courses, and the new prospectus will support this by emphasising career pathways. MA recruitment and student engagement were considered, with discussion on ways to help students better understand the value of postgraduate study. The Committee acknowledged and commended the SLT for achievements against HE KPIs.

The Committee discussed the ongoing work by the Principal to introduce a pay progression policy and revised pay scales, acknowledging the complexities involved, particularly given the variation in current professional services job descriptions, and the potential cost implications. The Committee requested a presentation at the next FGP to help members better understand the emotional as well as financial considerations tied to payscales, with a more comprehensive update scheduled for March.

5. Student recruitment and marketing

The Committee was informed of the priorities for student recruitment and marketing. Members noted that initiatives such as UniBuddy and HCA Direct are designed to enhance applicant engagement and position HCA as a proactive first-choice option. The Committee was advised that marketing campaigns are performing above benchmark. The Committee noted the challenges in tracking the student recruitment funnel (defined as the process from initial applicant interest through to offers and enrolment). Members were informed that the Principal intends to improve consistent data capture around recruitment including applicant geography, conversion and other enrolment patterns. The Committee was advised that further updates on the recruitment strategy for the current year will be provided at the next meeting.

6. Finance Reports

a. Management Accounts

The Finance Director presented the July management accounts, noting only minor changes since the previous month. Members were informed of the actual figures relating to the local government pension scheme. The pension liability cannot become an asset, but the method of doing that, an asset cap, is now over £2million. The pension assumptions will be reviewed as part of the financial statements audit and reported to the Audit Committee.

b. Current budget risks (confidential)

The Committee considered current budget risks, including enrolment, staffing, and operational costs. Detailed discussion has been recorded separately in a confidential minute.

c. Financial Statements

The Committee received a copy of the main schedules of the Financial Statements for information, noting that full set of Financial Statements will be presented and comments collected at the November meeting. Members discussed balancing rising costs with student numbers and the importance of managing expenses, including those associated with running multiple short courses, to maintain a sustainable financial position. Staffing and operational challenges for certain courses, particularly photography, were noted. The Committee discussed potential improvements to the photography course, such as introducing more commercially focused elements such as drone photography, and exploring alternative qualification pathways to enhance HE progression and employability outcomes.

7. CEFSS – Curriculum Efficiency and Financial Sustainability Support update

The Principal provided an update on the CEFSS support package provided by the FE Commissioner, which supports cost management across the curriculum. The Committee noted that the support forms part of “a menu of support” from the DfE and FE Commissioner, including support for the estates strategy and the Annual Accountability Statement. Members were informed that an initial kick off meeting had taken place and a consultancy review was to be undertaken to assess course costs and related processes as part of ongoing efforts to improve curriculum efficiency and improve financial sustainability.

8. DfE: Confirmation of Financial Health Letter and Governors Financial Dashboard

The Finance Director explained the purpose of the two papers, noting that they are standard Government documents and are required to be shared with Committee members to ensure oversight. The Confirmation of Financial Health letter agreed with the College self-assessment of Requires Improvement

ACTION: The Finance Director will incorporate comments arising from the Financial Health Letter into the next Financial Statements.

9. Estates and Operations Annual Report: 2024/25 and 2025/26 update

The Committee reviewed progress towards the capital plan, and noted the importance of understanding variances between quotes received and actual costs. Members discussed space utilisation data and highlighting its value for curriculum planning. Opportunities to develop FE and HE provision were considered, including courses funded through UKSPF and aligned with local skills improvement plans. Governors provided recommendations for industry contacts and networks to support employer engagement and course promotion. It was suggested that detailed asset additions be included as an appendix, as the current level of detail is operational.

10. Annual Reports

a. Sustainability Annual Report and Statement

The Committee noted that the Sustainability Statement, which was approved in December 2024 and is reviewed every three years, so wasn't brought to this committee but the report will be published following Board approval. The Committee agreed that a sustainability capital budget should not be ringfenced (as recommended in the FE roadmap) but sustainability criteria to run through all capital decision-making. Members noted that the College is making improvements through changes to waste contracts and continuing initiatives related to utilities, including boiler replacement, possible solar panel installation, and considering LED lighting upgrades. The Committee highlighted the value of a dashboard summary to track progress, with separate versions for students and estates.

b. Health and Safety Annual Report

The Committee noted an increase in the number of reported accidents and incidents, reflecting both heightened risk awareness and improved reporting, including near misses. Members highlighted the importance of ensuring that students remain alert to potential hazards. The Committee acknowledged that the level of detail in reporting and the management of Health and Safety matters is strong. Members discussed the introduction of FE sign-off on Health and Safety to improve monitoring and noted that workshops remain a key focus area. It was agreed that key objectives for Health and Safety would be brought to the next FGP meeting.

c. Short course annual report and strategy

The Committee noted a positive 16% increase in short course activity and welcomed the report, which was presented to the Committee for the first time. Members suggested providing a summary with key headlines and including total figures for clarity. It was recommended that future reports incorporate targets to demonstrate potential growth.

The Committee also noted the upcoming appointment of a new manager and discussed the opportunity to develop commercial income under new Corporation Chair.

11. HCA People report: Staff Survey Feedback

Members noted that overall positivity among staff has increased, and that the wider leadership group responded positively to initiatives. Ongoing work on communication was discussed, focusing on both process and attitude, with teams being supported to identify specific actions to improve communication within their areas. The Committee also considered awareness of policies and the results of the wellbeing survey, noting that awareness of wellbeing initiatives remains relatively low. A Committee Member observed that some survey responses may reflect broader national trends.

12. Policies: Stress at Work Policy

The Committee noted that the Stress at Work Policy had been subject to its routine review and update. Members considered the mechanisms in place to support managers in identifying signs of stress and emphasised the importance of ensuring that staff feel appropriately supported. The Policy was regarded as clear, balanced, and practicable, and the Principal outlined key considerations for its implementation. **The Committee approved the Policy.**

13. Review of Terms of Reference

The Committee reviewed the Terms of Reference and noted the addition of cybersecurity and digital infrastructure as a new area of responsibility. Members discussed matters including cyber insurance, policies on cyber-attacks, Cyber Essentials and Cyber Plus frameworks, and actions in the event of a cyber incident. It was suggested that section 2.3(F) be moved, as it was felt this provision did not fit within the section. The Committee agreed that a full discussion on these matters would be brought to the November meeting, noting that the agenda is likely to be tightly scheduled.

14. Close of Business and Date of Next Meeting

With no further business to discuss, the Chair closed the meeting at 18:58. The next meeting is scheduled for Monday 17th November 2025, at 4:30 PM.

Minutes approved: **Date:**

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CONFIDENTIAL MINUTES

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6. Finance Reports

b. Current budget risks (confidential)

The Finance Director updated the Committee on current enrolment figures, noting that some student numbers may change due to transfers between colleges and withdrawals. Enrolments will close in mid-October. Members were informed that projections for 2026/27 will be considered at the November FGP meeting. The Committee noted increases in EHCP students, and the recruitment of additional LSAs to meet this demand. Minor shortfalls in HE enrolment were also reported.

The Committee was advised that pay expenditure remains the largest operational cost and that student accommodation carries some risk due to unlet rooms. Contingency measures to mitigate these risks, including advertising vacancies and leveraging summer occupancy, were discussed. Members also considered operational challenges, including rising energy costs and inflation. The Principal confirmed that under-recruited courses, such as the MA photography course, will be reviewed to determine whether resources should be reallocated.

The Committee emphasised the importance of maintaining student numbers, optimising staffing and timetabling, and closely monitoring cashflow to ensure financial sustainability. Members also noted that while staff morale remains positive, shortfalls against recruitment targets may impact budget delivery, and stressed the importance of vigilance regarding both expenditure and contingency costs.