

Minutes of: Finance and General Purposes Committee

Date: 4pm on 31st March 2025 **Location:** A5, College Road Campus

Present	In attendance
<ul style="list-style-type: none"> ▪ Mervyn Jones (<i>Chair</i>) ▪ Abigail Appleton (<i>Principal & CE</i>) ▪ John Auckland ▪ Clive Hodgeman ▪ Peta Darnley ▪ Nicola Hewitt <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>) (<i>joined at item 8</i>) ▪ Abigail Boyce (<i>Clerk to the Corporation, “Clerk”</i>)
Quoracy: Meeting was quorate in accordance with paragraph 1 below.	Absent: None – all Committee Members were present.

1. Quorum

The meeting was duly convened as a quorum as three members was 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:** There were no apologies; all Committee Members were in attendance.
- b. **Declarations of interest:** there were no new declarations of interest.

3. Minutes of last meeting

- a. **Approval of minutes of meeting held on 25th November 2024:** the minutes were approved as a true and accurate record.
- b. **Matters Arising:** all actions were noted as complete or as in progress.

4. Order of Agenda: Please note that the agenda items were discussed in a revised order to accommodate the Finance Director's delayed arrival.

5. Policies, and procedures for approval

a. Professional Code of Conduct

The Principal provided updates to the Codes of Conduct, highlighting strengthened expectations regarding the use of identification and staff professionalism. In response to recent Freedom of Speech guidance, the staff code is being revised to balance the encouragement of open expression with the need for professional communication with students. The Principal clarified that staff are encouraged to use internal channels to raise concerns, rather than engaging in informal discussions with students about operational matters.

A Committee Member suggested simplifying the language to focus more on the core ethos. There was a discussion around staff aligning with the student body and the importance of going through appropriate channels in cases of disagreement. The tone was reviewed, with suggestions to make it more personal and clearer without being too vague. The

Committee also emphasised the need for clarity around relationships with former students and endorsed the inclusion of clear guidance such as the principle: “if in doubt, check,” to ensure staff are protected. The Committee suggested training could support understanding and implementation.

b. Staff Professional Development Strategy and plan

The Principal provided background to the report, noting that it does not encompass all training activity but serves to outline and align key elements. It was clarified that HCA People includes staff development, which is consistent with the overall strategy. There was a general consensus on the value of increasing training opportunities, and the framework presented is intended to guide planning over the next 18 months. The Committee expressed support for the approach and emphasised the importance of tracking professional development.

c. Personal Development Review (PDR)

The Principal provided an overview of the PDR process, emphasising its importance for staff engagement and alignment with strategic objectives. The Committee endorsed the flexibility of objectives, guided by the five strategic themes, and acknowledged the approach as more constructive than traditional performance reviews. They also sought clarification on the storage of PDRs.

d. Pay Policy Update

The Principal provided an update on the development of a general pay policy, emphasising its significance and the progress made to date. A draft of the policy will be presented at the next Finance and General Purposes meeting.

6. Recruitment Update

The Principal updated the Committee on the latest HE student recruitment data, noting that numbers are higher than last year but not yet exceeding 2023 figures. The unique selling points of HCA, including its rural location, were highlighted, along with the new course leader's role in recruitment. The Committee reviewed the recruitment figures and identified high-performing courses. In response to a query, the Principal clarified that courses are taught alongside others to ensure viability.

7. Operations Reports

a. Health and Safety Report

The Principal presented the interim report, acknowledging several incidents. A new column on near misses and the actions taken as a result of feedback from the Committee was introduced. A Committee Member inquired about the process for addressing concerns related to self-harm, to which the Principal confirmed that such matters are always referred to safeguarding. A Committee Member also asked if Health and Safety targets were in place, and the Principal confirmed that they are.

b. Estates Report

The Principal presented the report, highlighting its importance in supporting capital planning. The Principal also emphasised the appeal of the accommodation to students

and proposed continuing with the current plan to retain the full building for HCA students while keeping an alternative option as a precaution.

8. Finance Reports

a. Management Accounts including Key Risks

The Finance Director provided an update on the timing of the capital projects that would be funded by DfE grants, confirming that any delays in projects can be carried forward into the next financial year. He explained that minor variances in the reported figures were due to timing differences. An update was also given on EHCP funding, which is still being finalised but is currently assessed as low risk. The LGPS employer contribution rate is to decrease from April to 18% from 19.7%, and no significant changes are anticipated in funding indicators for the year ahead. The Committee acknowledged the continued uncertainty surrounding some income streams, particularly in light of recent government announcements.

b. Budget Timetable / Progress

The Finance Director explained that the budget timing is driven by the demands of the DfE. An approved budget needs to be submitted to the DfE by the 31st July. This includes the completion of a DfE spreadsheet called the College Financial Forecasting Return (CFFR). A detailed budget will be reviewed at the next F&GP. This item was essentially provided as a reminder to the Committee.

c. Overview of Staff/Student Ratio

In response to a Committee Member's query, the Finance Director (FD) presented a report that will be regularly shared to help the Committee track changes. A Committee Member asked about the methodology and the inclusion of certain employment types in the ratio, with the FD confirming that it is a work in progress that aids course costing. The Principal discussed the inclusion of technical staff in the ratio and the ongoing refinement of senior staff data. The framework provides a broad overview and is useful for benchmarking purposes.

d. ESFA financial plan/dashboard

The Finance Director provided an overview of the DfE dashboard and noted that a DfE letter is expected to be received in due course in relation to the Financial Statements for 2024. The dashboard did not include the Financial Statements numbers.

9. Financial Model and Capital Programme: Discussion on the scope of the financial model and capital programme.

The Chair reported that, following discussions with the Department for Education (DfE), a requirement has been established for the preparation of a three-year financial plan. This plan is to be presented at the upcoming Finance and General Purposes committee (FGP) meeting in June, with final approval anticipated at the Board meeting in July. It was emphasised that the financial plan must be aligned with the College's strategic priorities and account for potential external funding sources. Furthermore, the Chair requested the development of a draft capital programme, which should outline major capital priorities and proposed initiatives. This document will serve to facilitate future engagement with the DfE and assist in applying for grant funding opportunities to support this plan.

ACTION: The Finance Director to prepare a three-year financial plan and draft capital programme for consideration at the next FGP meeting.

10. Staff Annual Pay Award (Confidential) – Please refer to the separate confidential minutes.

11. Utility Investments: LED Lighting

The Finance Director presented a proposal, the College had received, to replace fluorescent lighting with LED, highlighting potential cost savings and noting limitations such as the inability to reclaim VAT and the current utilities cost sharing arrangements at the Folly Lane site, which limited savings. The Chair recommended prioritising the project on the capital list. A Committee Member suggested installing a meter to monitor energy usage. The FD said a meter was being installed as part of the transformer replacement. The Committee discussed heating inefficiencies at the College Road Campus, with a phased implementation proposed, although it would require significant time. The FD will engage with the relevant team regarding the issue, while the Committee also noted the potential for landlord involvement and the availability of council grants. The Committee agreed to revisit the issue at the next meeting.

12. Close of Business and Date of Next Meeting

With no further business to discuss, the Chair closed the meeting at 18:13. The next meeting is scheduled for Tuesday 17th June 2025, at 5:00 PM.

Minutes approved: Date:

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CONFIDENTIAL MINUTES

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Quoracy: Meeting was quorate in accordance with paragraph 1 of the main minutes.	Absent: None – all Committee Members were present.

Quorum and Declarations: The quorum and declarations of interest are as documented in the main minutes of the meeting.

10. Staff Annual Pay Award (Confidential)

The Finance Director (FD) provided an update on spine points and the National Living Wage (NLW), emphasising the need to maintain pay above the NLW for staff morale. While a universal percentage increase is financially challenging, concerns were raised regarding the impact on mid and upper salaries.

The Committee discussed the complexities of pay modelling, including funding uncertainties and income timing. The FD confirmed that the budget model included a 1% increase for staff. The AOC had made a recommendation of an increase of 2.5% or £750 to all pay scales. Various uplift scenarios were considered.

The Principal confirmed staffing projections reflect student growth and course expansion, with the NLW adjustment included in the budget model. The Committee recognised that while a deficit is not ideal, it may be necessary in the short term due to timing and planning challenges.

The Chair stressed the importance of providing staff with clarity as soon as possible. The Committee agreed on the need to balance financial prudence with staff morale, particularly amidst cost-of-living pressures.

It was agreed that further modelling is needed, and an additional meeting will be scheduled in the final week of April to review an updated proposal ahead of the May Board meeting.

ACTION: Clerk to schedule an additional Finance and General Purposes meeting in late April.