



MINUTES OF THE POLICY AND RESOURCES COMMITTEE
HELD ON MONDAY 20 JUNE 2022

PRESENT:

Paul Levet	Chair
Dr Fazal Dad	Principal and Chief Executive
Paul Morris	Member

IN ATTENDANCE:

Nicola Clayton	Director: Business Development and External Engagement
Jennifer Eastham	Vice Principal: Finance and Corporate Services
Rachel Tarplee	Assistant Principal: Teaching and Learning (Academic Centre)
Jean Tracy	Clerk to the Corporation

Sarah Horeesorun	Director of Governance Designate
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* indicates attendance via Microsoft Teams

Sarah Horeesorun was welcomed to the meeting and introductions were made by all present.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Michael Lee, Arif Patel and Steve Waggott.

The Chair confirmed that Governance Panel was working to fill the vacancies on the Board and on Policy and Resources Committee. Members were asked to forward the names of suitable candidates with expertise in finance, accounting/audit and/or HR for consideration.

2. DECLARATION OF CONFLICTS OF INTEREST

The Chair advised those in attendance that should members of the Policy and Resources Committee become aware of any potential conflicts of interest, they should be disclosed at the earliest opportunity during the meeting.

3. MINUTES OF THE POLICY AND RESOURCES COMMITTEE MEETING HELD ON MONDAY 16 MAY 2022

The Committee **APPROVED** the minutes of the Policy and Resources Committee meeting held on Monday 16 May 2022 as a true and accurate record, and these were duly signed by the Chair.

4. MATTERS ARISING

The Committee noted the updates on the actions from the previous meetings, as included in the agenda document. There were no other matters arising.

5. MANAGEMENT ACCOUNTS, YEAR TO 31 MAY 2022

The Vice Principal: Finance and Corporate Services presented the Management Accounts up to the period ending 31 May 2022.

The Committee noted that the current operating position was in line with budget and the risk that the favourable variance on delegated expenditure was not sustainable for the whole year. Cash balances remained healthy and the FE Commissioner metrics and loan covenants continued to be met.

The Vice Principal: Finance and Corporate Services updated the Committee on the Estates projects which were underway/planned and confirmed that the College was confident that a break even position would be achieved. The Chair of the Committee asked for and was provided with more detail on the projects and the reasons for the current overspend. Slides showing the planned refurbishment of the Beacon Centre would be forwarded to Committee members.

Action: Clerk to the Corporation¹

The Committee noted the variance on Higher Education and Commercial income. A member of the Committee commented that HE income continued to be a challenge and would require further discussion under the College Budget and Financial Planning agenda item.

The Committee **AGREED** to recommend the Report to the Corporation Board for approval.

6. ESFA COLLEGE GOVERNING BODY FINANCIAL DASHBOARD

The Vice Principal: Finance and Corporate Services presented the Report which provided information on the updated version of the ESFA College Governing Body Financial Dashboard. It was noted that the ESFA were encouraging Board members to access the dashboard directly – either online or to arrange for a pdf version to be downloaded and circulated.

A copy of the Blackburn College Dashboard and details on how to access the dashboard were provided in the Report and had also been uploaded to the Governors' Portal – *ESFA Financial Dashboard (for Board members)*. This would also be covered at the Board meeting on 1 July 2022.

7. COLLEGE BUDGET 2022/23 AND FINANCIAL PLANNING 2021/22 TO 2023/24

The College business planning process, which included a review and plan of the curriculum offer for 2022/23, a review of the service area functions and the associated staffing and resource implications, was almost complete.

The Vice Principal: Finance and Corporate Services informed the Committee that the approved plan – in the form of the College Financial Forecasting Return (CFFR) - would be presented to the Board for approval on 1 July 2022, and would then be submitted to the ESFA and the banks. This being in line with the financial planning handbook and loan agreements respectively. The 2021/22 numbers presented in the Plan were reflective of the anticipated out-turn for the year and the current estimates were that performance would be broadly in line with the re-forecast.

The key elements of the budget were considered by the Committee, a detailed explanation and budget assumptions having been included in the commentary to the financial plan in Appendix 7.

The Committee noted that there were no concerns with the College cash flow, that the financial health was graded as 'outstanding' and that all FE Commissioner ratios and loan covenants had been met. Information on the risks and opportunities included in the commentary was

¹ Slides sent on 22 June 2022

highlighted. Detail on those items which were currently not included within the Financial Plan were included in the Report.

A member of the Committee commented that it was key that the Board and College were aware of the challenges, but gained comfort in that income and expenditure were measured to achieve a balance.

The Vice Principal: Finance and Corporate Services covered the pay award assumptions and the key risks and opportunities, the detail being provided in the appendices. In answer to a question from the Chair, the Director: Business Development and Employer Engagement provided information on the commercial income and the impact of the pandemic, and that the College was confident that the income target would be met.

The Committee **AGREED** to recommend the paper to the Board for approval.

The Committee then considered the Part II agenda items – minutes recorded below.

8. ANY OTHER BUSINESS

There were no items of any other business.

9. REVIEW OF MEETING

The Chair thanked Committee members for their contribution and discussions. He offered particular thanks to the Vice Principal: Finance and Corporate Services.

10. DATE AND TIME OF NEXT POLICY AND RESOURCES COMMITTEE MEETING

Monday 26 September 2022 at 5.00pm.

Signed:

Date:

18:45pm – Meeting ended.