



TRURO AND PENWITH COLLEGE CORPORATION



Finance and General Purposes Committee

Minutes of the Finance and General Purposes Committee
held on Tuesday 7 March 2023 at Truro College

Members Present: Mr J Burnett, Mr P Callen, Ms K Prosser, Mr M Tucker (Principal) and Mr A Young (Chair)

Also Present: Mrs L Briscoe (Director of Student Experience), Mrs A Bull (Director of Curriculum Development), Ms J Cashmore (Director of Operations), Mr S Cryer Director of Finance, Mrs L Langdon (Head of Finance), Ms L Maggs (Director of Operations, Penwith College), Mrs H McKinstry (Director of Partnerships and Apprenticeships) and Mrs A Winter (Clerk to the Corporation)

Apologies: Mr D Collins and Mr M Cooper

Item	Discussion/Decision	Action
23/17	<p>Declaration of Interests</p> <p>Governors were reminded of the requirement to disclose any potential interest and to withdraw from the meeting if a matter under consideration could give rise to a conflict of interest - none were declared.</p>	
23/18	<p>Minutes</p> <p>The minutes of the meeting held on 24 January 2023 were APPROVED as a correct record.</p>	
23/19	<p>Matters Arising</p> <p>19.01 Pay Award 2022/23 (Minute 23/03.01)</p> <p>The Principal provided a confidential update on discussions with the unions which is separately minuted.</p> <p>19.02 Environmental Sustainability (Minute 23/03.02)</p> <p>Governors were pleased to note that an internal appointment had been made to lead on the College's Sustainability Strategy and take forward carbon reduction policies.</p> <p>19.03 Financial Objectives (Minute 23/07)</p> <p>An amendment to the financial objectives to aim for an ESFA financial health grade of 'Good' would be changed in the Strategic Plan and other relevant documents.</p> <p>19.04 Haven House (Minute 23/12)</p> <p>The Principal confirmed that Vickery Holman had been appointed by the College to market Haven House for potential lease or purchase. The details of the sole agency agreement specified by Vickery Holman</p>	LL to action

	would be clarified to ensure additional fees were avoided as far as possible.	
23/20	<p>Management Accounts 20202/23</p> <p>The Committee considered the management accounts for the six month period from 1 August 2022 – 31 January 2023 and noted that income and expenditure generally remained close to the revised budget figures with only minor fluctuations.</p> <p>Ongoing uncertainty in some areas, such as utilities made it difficult to forecast the final position. There was potential for additional Apprenticeship income and increased Learner Support Funds which could help to improve forecasts and reduce the budget deficit.</p> <p>During discussion, clarification of the balance sheet was provided and Governors NOTED the current budget position.</p>	
23/21	<p>Cashflow</p> <p>The Committee considered the confidential cashflow projections to July 2024 which incorporated the revised budget for 2022/23 and other known variations.</p> <p>Governors noted that capital expenditure had been incorporated into the cashflow figures, including payments for the STEM and Health Skills Centre (Ottery), the development of a Careers Zone (Mylor), expansion of the University Centre (Fal) and other minor works.</p> <p>Governors NOTED the cashflow forecast remained positive throughout the coming 18 months with a low point expected in March/April 2024.</p>	
23/22	<p>Premises Matters</p> <p>The Principal reported on:</p> <ul style="list-style-type: none"> • Ottery – work was continuing to progress well with completion due in July 2023 • Maintenance – the usual programme of summer refurbishment and repairs would be scaled back to allow the Premises team to ensure Ottery was operational for September 2023 • University Centre – as part of enhancing HE facilities a large lecture theatre would be developed in Fal • Science Laboratories – three science labs in Mylor would be upgraded • Temporary Staff - as previously, temporary student employees would be recruited to conduct portable appliance testing (PAT) and other routine work over the summer. <p>The Committee NOTED the various capital projects.</p>	
23/23	<p>Purchases and Contracts Over £50,000</p> <p>Members noted that the College’s Financial Regulations required orders and contracts over £50,000 in value to be reported to the Corporation through the Finance and General Purposes Committee.</p> <p>The meeting received a summary of purchases and orders over £50,000 for the year ending 31 January 2023. In each case an appropriate tendering process had been followed to ensure best value for money.</p>	

	<p>Governors questioned the need for expenditure of £943k on examinations and noted these costs were unavoidable and examination fees were continuing to rise. The Committee also noted that the electricity contract would be renegotiated by The Energy Network when it ended in September 2023.</p> <p>The Committee NOTED the various transactions which had been completed in accordance with Financial Regulations.</p>	
23/24	<p>Bad Debts</p> <p>The Committee was reminded that under the College's Financial Regulations, the Director of Finance, after consultation with the Principal, had authority to write off debts up to £500. Debts in excess of £500 could only be written off with the Committee's authorisation.</p> <p>Governors noted that 12 small debts totalling £3,129 had been written off by the Director of Finance during the 12 months to March 2023 (compared to 6 debts totalling £818 last year).</p> <p>Details of ten debts in excess of £500, totalling £17,734 were discussed (a significant improvement on £67k last year). The debts related to non-payment of apprenticeship fees and HE tuition fees.</p> <p>Following consideration, the Committee AGREED to authorise writing off the ten debts in excess of £500.</p>	
23/25	<p>Inventory Write-Offs</p> <p>The Committee noted an item of equipment had been part exchanged without obtaining appropriate authorisation for the disposal. This had been an oversight, with no deliberate intention to breach procedures. The value of the asset disposal was around £25k.</p> <p>Governors asked questions and were assured that the equipment upgrade was necessary, and management was satisfied that value for money had been achieved with the transaction.</p>	
22/26	<p>Truro and Penwith College Trust Financial Statements 2021/22</p> <p>The Committee received the annual accounts for the charity which was established to alleviate hardship amongst students. A total of 88 awards had been made (compared to 89 in 2020/21).</p> <p>The Trust also encompassed the Boom Shewula Wula charity, providing education and support to orphans in Eswatini. During the pandemic, no student visits had been possible and fund raising had been stalled, but two trips to Eswatini were planned for summer 2023 and fundraising activities were expected to resume.</p> <p>Members NOTED the Trust currently remained in a sound financial position and trustees were considering ways to replenish funds.</p>	
23/27	<p>Callywith College Trust Financial Statements 2021/22</p> <p>The Committee received and NOTED the financial statements for the College's sponsored academy trust. Callywith College had an operating deficit in 2021/22, but the statements indicated a positive end of year position once the pension valuation, depreciation and other accounting adjustments were applied.</p>	

	<p>Details of the related parties transactions between Truro & Penwith College and Callywith College were noted.</p> <p>The Committee NOTED that accounts confirmed the academy trust remained in a sound financial position as a going concern.</p>	
23/28	<p>Truro and Penwith Academy Trust Financial Statements 2021/22</p> <p>The Committee received and NOTED the financial statements for the College's sponsored multi-academy trust which operated 26 primary and 3 secondary academies across Cornwall. TPAT had an operating deficit in 2021/22, but the statements indicated a positive end of year position once the pension valuation, depreciation and other accounting adjustments were applied.</p> <p>Governors noted that the MAT was continuing to grow and had recently acquired new schools including Helston Academy, an 11-18 secondary academy (following the closure of the Southerly Point MAT). The Trust's intentions for post-16 provision were being discussed. TPAT's plans to develop a new North Coast 11-16 Free School were on hold pending progress with the Langarth housing development.</p> <p>Details of the related parties transactions between Truro & Penwith College and TPAT were noted.</p> <p>The Committee NOTED that accounts indicated that the multi-academy trust remained in a sound financial position as a going concern.</p>	
23/29	<p>Any Other Business</p> <p>29.01 Financial Regulations</p> <p>The Committee NOTED that the Principal had approved amendments to Financial Regulations enabling the Head of Finance to authorise expenditure, while covering duties for the Director of Finance vacancy.</p>	
23/30	<p>Date of Next Meeting</p> <p>The Committee would next meet at 5.00pm on Wednesday 8 June 2022 at Truro College, Valency Building.</p>	ALL to note