

SANDWELL COLLEGE

Minutes of the Finance & Strategy Committee meeting held on Thursday 19 June 2025, 4.00pm

Present:	J Tew L Capper N Edwards-Yesufu	Independent Governor (Chair) Principal & CEO Independent Governor
In attendance:	T Sharma B Beaty A Gordon S Griffiths I Oldacre R Pickup J Tracy	Independent Governor – Observer Executive Director HR and OD Deputy Principal Curriculum and Skills Executive Director Strategy and Development Director of Estates and Capital Projects Executive Director, Finance and Resources Interim Director of Governance
Apologies:	S Lal	Independent Governor

		Action
F25.16	<u>Item 1: Welcome and Apologies</u>	
	The Chair welcomed all those present, including T Sharma who was attending the meeting as an observer. There were apologies from S Lal.	
F25.17	<u>Item 2: Declarations of Interest</u>	
	There were no new declarations of interest.	
F25.18	<u>Item 3: Minutes of the Finance and Strategy Committee meeting held on 13 March 2025</u>	
F25.19	The incorrect spelling of S Lal's surname was noted. With this correction, the minutes of the Finance and Strategy Committee meeting held on 13 March 2025 were approved and agree to be a true and correct record. The Committee also approved the confidential minutes of the meeting held on 13 March 2025.	
F25.20	<u>Item 4: Matters Arising & update on new finance system</u>	
F25.21	The Executive Director Finance and Resources provided an update on the new finance system. An audit of the system would be undertaken to review the system, to confirm that it was being used well and to help identify any improvements in its operation. The Internal Audit Service were happy with this approach. In answer to a question from the Chair, the Executive Director Finance and Resources confirmed that there were no major issues. The Committee noted the information provided in the action progress report. There were no other matters arising.	
F25.22	<u>Item 5: Strategy Plan – KPI report</u> Governors scrutinised the performance of the College against the relevant KPIs, noting that the KPI report had also been considered by the Audit Committee. Governors noted that Sandwell College was performing positively against the majority of KPIs, and that information had been provided to enable comparison with the current position against that at the last Committee meeting. The Committee noted the information provided on the on 'red' risk – English GCSE High Grades and on the mitigation.	

	The College was asked whether an enrolment target should be included in the report. The Executive Director Finance and Resources confirmed that internal enrolment targets were in place and that the KPIs presented to the Committee/Board would be reviewed again. The CEO & Principal commented that the Committee would see the ambitious target relating to enrolment in the budget paper.	
F25.23	<u>Item 6: Capital & Estates Projects</u> - Financials & Strategy Aspect Update The Committee was updated on Estates Capital projects, including costs, timelines and risks, it being confirmed that all projects remained on track, on budget and without notable risks at that time. Information was provided and considered by the Committee on the specific projects – Skills Hub at Cradley Heath, Midland Metropolitan Learning Centre, MEC Phase 3, improvements in catering offers, curriculum and non-curriculum changes at Central Campus, Cadbury North Block, and the installation of cross-corridor doors at Central Campus. Governors commented favourably on the format of the Summary Dashboard for each project and on the information on budget approvals and funding source information. The Committee then considered the report covering the Business and Curriculum Planning at Cradley and MMUH, with the accompanying slide pack providing background information and an overview of the ongoing developments.	
F25.24	S Griffiths left the meeting.	
F25.25	<u>Item 7: Management Accounts 2024/25 (Apr 25)</u> Governors considered the report, noting the current operating surplus, and the College's confirmation that this remained on track to be ahead of the plan. Information on the additional NI funding, the additional funding which had been announced and the position regarding student numbers and results was noted. Cash remained ahead of plan but was expected to be in-line at year end and the College KPIs remained on track for "outstanding" financial performance. In answer to a question from the Chair, the Executive Director Finance and Resources clarified the position in relation to pay costs as a result of the increase in temporary staff needed to cover current vacancies. The Executive Director Finance and Resources also provided information on the capital spend, a comment having been made that this was not clear from the report. The CEO and Principal confirmed that the College was not exposed and that from October, a new set of management accounts would be available, these taking into the account the review of the FEC financial benchmarks (FEC letter dated 11 June 2025). In relation to the FEC financial benchmark review, The Executive Director Finance and Resources provided a brief overview of the proposed changes to cash days in hand, operating surplus as a % of income, and staff pay as a % of income. The Committee was informed that the proposed FEC benchmark for cash days was an aspirational cash level to aim to achieve resilient good health and was not intended to be a target.	
F25.26	<u>Item 8: Budget 2025/26</u> The report provided the Committee with information on the financial outlook, objectives, income and expenditure, cash flow and capital. Detail was also included on the forecasting 2026/27, the balance sheet, growth funding, scenarios (upside and downside) and risks and mitigations.	

	The Committee noted the operating surplus and that this position, along with a strong EBITDA position and current ratio gave an ESFA financial health rating of 'outstanding'. Other key points were included in the executive summary and the other sections of the report. In answer to questions from Governors, a detailed explanation was provided on the student numbers on which the allocation statement was based, on why the College was forecasting an increase in FE income, and also on the forecast regarding staffing and agency costs. In the discussion on risks and mitigations, the CEO and Principal commented on the balance needed between ambition and caution, and that Governors needed to be comfortable with the risks. Having considered the report in detail, Finance and Strategy Committee agreed to recommend the Budget 2025/26 to the Board of Governors.	
F25.27	<u>Item 9: HR Report</u> The Executive Director HR and OD presented the report which provided an update on the performance, work and impact of the College's Human Resources and Organisational Development Functions. Recruitment continued to be an area of focus, the Committee noting the work being undertaken on filling vacancies and on the enhanced internal recruitment and selection practices, training and development. Detail on the College's new strategic framework for wellbeing 'Sandwellness' and feedback on that day's first all staff event was provided, it being noted a more detailed staff feedback would be provided at a future date. The report also provided an update on employee relations and other areas of work, e.g. staff survey, review of the College's Redundancy Policy and the change to the Occupational Health and Disclosure and Barring Checks (DBS) providers.	
F25.28	<u>Item 10: Risk Register & Board Assurance Framework</u> The CEO and Principal introduced the paper and covered the change to the report format and content, and of the three separate sheets which covered Heat Map, Risk Register and Board Assurance. Governors were also asked to consider whether they were content with the risks assigned to Finance and Strategy Committee. Governors reviewed the changes to the Corporate Risk Register, focusing on financial and strategic risks. It was noted that a detailed discussion on the report, its content and format, had taken place at Audit Committee and Learners, Quality and Curriculum Committee at their meetings on 17 June 2025 and 18 June 2025 respectively. The Chair agreed that the report was clear, highlighted the issues, mitigation in place and the final position, this also being the view of Finance and Strategy Committee.	
F25.29	<u>Item11: Subcontracting Proposal 2025/26 and approval of Subcontracting Policy</u> The Chair requested and it was agreed that the Subcontracting Policy would be considered first. In answer to a question from the Chair, the Deputy Principal Curriculum and Skills confirmed that advice on the policy had been taken from various sources e.g. Eversheds. Finance and Strategy Committee agreed to recommend the Subcontracting Policy to the Board of Governors for approval. The report provided information, which was scrutinised by the Committee, on the proposed subcontracting, the subcontracting budget amount, and scrutiny of due diligence on subcontractors and their past performance.	

	The Committee was pleased to note the way in which safeguarding was embedded and on the quality and due diligence processes in place. The Deputy Principal Curriculum and Skills confirmed that subcontracting had to be approved separately, hence the separate report to the Committee and to the Board of Governors. Finance and Strategy Committee: - approved the named partners as subcontractors as per the report - noted the overall budgeted amount for subcontracting, due diligence and past performance - agreed to recommend the Subcontracting Policy to the Board of Governors for approval , as noted above	
F25.30	<u>Item 12: Health & Safety Report</u> The report had been considered by Audit Committee at its meeting on 17 June 2025 and had been included in the Finance and Strategy Committee agenda in error.	
F25.31	<u>Item 13: Policies for Approval</u> - (i) Financial Regulations & Scheme of Delegation The Committee considered the proposed amendments to the Financial Regulations. The main change had been to the layout of the Scheme of Delegation and the financial limits for authorisation, the latter being to reflect the size of the College and to aid efficiency in the processes whilst maintaining appropriate sign-off levels. The Executive Director Finance and Resources confirmed that all items for sign-off would be within budget. An error in the figure re quotes would be amended, Finance and Strategy Committee: - agreed to recommend the Financial Regulations to the Board of Governors for approval - noted the Schedule of Matters Reserved and Delegated Powers (Scheme of Delegation) - (ii) College Tuition Fees Policy 2025/26 Finance and Strategy Committee agreed to recommend the College Tuition Fees Policy 2025/26 to the Board of Governors for approval. - (iii) Reserves Policy The College was now required to have a Reserves Policy, with the Policy being put forward for consideration having been drawn up using a working document suggested by the internal auditors. The Chair of the Committee noted that a summary of the policy would be included in the annual report and would be part of the consideration of the financial statement, and asked whether this implied Audit Committee involvement. The Executive Director Policy and Resources replied that there would be a line in the going concern report to Audit Committee. Finance and Strategy Committee agreed to recommend the Reserves Policy to the Board of Governors for approval.	EDP&R
F25.32	<u>Item 14: Learner Bursary Policy 2025/26</u> Finance and Resources Committee considered the report, noting that the daily rate would be agreed once the Free Schools Meals funding had been announced. Finance and Strategy Committee: - agreed to recommend the Learner Bursary Policy 2025/26 to the Board of Governors for approval - agreed to recommend the delegation re the changes to the daily rate for 2025/26 to the CEO and Principal	

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F25.33	<u>Item 15: Confidential Item</u> See separate minute.	
F25.34	<u>Item 16: Confidential Item</u> See separate minute.	
F25.35	<u>Item 17: Committee Terms of Reference & Schedule of Business 2025/26</u> Finance and Strategy Committee considered the proposed changes to its Terms of Reference and considered the Schedule of Business 2025/26, noting the spelling error would be corrected. Finance and Strategy Committee: - agreed to recommend its Terms of Reference to the Board of Governors for approval - approved the Committee's Schedule of Business 2025/26	
F25.36	<u>Item 18: Effectiveness of the Committee</u> Committee members were asked to complete and return the Self-Assessment Checklist.	
F25.37	<u>Item 19: Any Other Business</u> There were no items of any other business.	
F25.38	<u>Item 20: Date and Time of next meetings</u> Thursday 27 November 2025 Thursday 12 March 2026 Thursday 25 June 2026 All meetings begin at 4pm.	
F25.39	<u>Meeting Review</u> The overrun was noted by the Chair, who thanked everyone for their attendance and contribution. Particular thanks were given to N Edwards-Yesufu.	

The meeting ended at 7.01pm