



**Minutes of the Finance & General Purposes Committee
held on Monday 2 June 2025 at 17.30, Microsoft Teams**

Present:	Neil Ashton Dr Rob Hickey Heidi Fraser-Krauss David Boot Ken Merry Harpal Sambhi	Chair Independent Governor Independent Governor Independent Governor Principal/CEO Staff Governor
In Attendance:	Chris Leng, Director of Human Resources Chris Courtine, Finance Manager Carolyn Barker, Director of Governance Sarah Leatherbarrow, Director of Marketing and External Partnerships Jackson Armstrong, Director of Curriculum: Higher, Technical & Professional Education	
1.	Apologies for Absence / Declarations of Interest	Action
1.1	<p>Apologies were received from Matthew Rice.</p> <p>There were no declarations of interest pertinent to the agenda.</p> <p>The Chair of the meeting was Neil Ashton. Notice of the meeting was given at least 7 days in advance. The meeting was quorate.</p>	
2.	Minutes	
2.1	Minutes The minutes of the meeting held on 7 May 2025 were approved and accepted as an accurate account of the meeting's proceedings.	
3.	Matters Arising	
3.1	Action Summary There were seven actions in total, three of which had been reported as closed. The remaining four were still open and in progress. The Principal provided a brief update on the progress of the outstanding actions.	
3.2	Any Other Matters There were no other matters to report.	
4.	Strategic Plan Implementation	
4.1	KPI Scorecard The Committee received and reviewed the updated KPI Scorecard as of 19 May 2025. The committee chair noted that the scorecard remained largely unchanged from the previous meeting, given the short interval since the last review. The Principal highlighted that while the adult income and Short Course income lines were reported separately, they should ideally be considered together due to the difficulty in disaggregating their financial impact meaningfully. He reassured the Committee that there were no areas of concern within the current data, and overall, the financial picture remains positive.	

	<p>Key performance indicators continue to show strong performance across several areas:</p> <ul style="list-style-type: none"> • The Staff to Income ratio is forecasted at 69%, better than the target of 72.7%. • EBITDA is forecasted at 4.7%, exceeding the target of 3.66%. • Year-end cash is forecasted at £4.8m, above the target of £4.3m. • Income generated is forecasted at £36.8m, surpassing the target of £35.9m. <p>Some indicators, such as staff and student satisfaction, are pending results from upcoming surveys. The Committee noted that the Financial Health Rating is currently forecasted as “Outstanding,” although some infrastructure spending is expected before year-end.</p> <p>The Committee welcomed the positive outlook and noted that no significant changes had occurred since the last meeting.</p>	
4.2	<p>Strategic Risk Monitoring</p> <p>The Committee received the latest version of the Strategic Risk Register, which reflects the key risks under the remit of the Finance and General Purposes Committee. The committee chair noted that the risk schedule remained broadly similar to the previous meeting.</p> <p>A significant portion of the discussion focused on the ongoing and increasing threat of cyber-attacks. The Principal confirmed that cyber incidents are frequently reported across the sector, including denial-of-service attacks in recent years. He emphasised that it is a matter of “when, not if” the College experiences an attack, though the aim is to minimise any potential impact.</p> <p>The College’s Head of IT Systems and Services had previously identified a vulnerability in a widely used software component, which was promptly addressed following an alert from JISC. A governor highlighted the severity of recent cyber incidents across the FE and HE sectors, including cases involving the loss of exam results. She noted that the issue experienced by York was linked to a global software vulnerability.</p> <p>The committee chair shared the value of a recent simulated cyber-attack exercise and suggested a similar tabletop session be arranged. The Principal confirmed that the Head of IT Systems and Services is planning such an exercise, with timing to avoid the exam period. A governor proposed October or November as a suitable window. Governors requested that the exercise be completed before the next F&GP meeting in November to allow for reflection and discussion.</p> <p>One governor reported a 50% increase in attempted cyber-attacks at York St John University compared to the previous year, with peaks around critical academic periods such as clearing. He stressed the importance of scenario-based planning that considers the timing of attacks, particularly during high-risk periods like the start of term.</p> <p>The staff governor inquired about practice runs that had taken place at York St John University. The governor noted various scenarios had been explored. The staff governor suggested that any College exercise should focus on major attack scenarios.</p>	KM

	<p>Governors recommended engaging with other colleges to learn from their experiences. The Principal confirmed that a representative from Bishop Auckland College would be visiting shortly to share insights with staff.</p> <p>In addition, governors asked about the ongoing review of the College's digital estate. The Principal confirmed that work is progressing under the direction of the Head of IT Systems and Services' leadership and an update will be brought to the next F&GP meeting. He also noted that funding options, either through grants or internal resources, are being considered to ensure the completion of this work.</p> <p><i>The Committee noted the update and endorsed the continued focus on cyber resilience and digital infrastructure.</i></p>	KM
5.	Financial Sustainability – 2024/25 Financial Performance	
5.1	<p>Management Accounts for the 9 months to 30 April including year-end forecast</p> <p>The Committee received the management accounts for period 9 ending 30 April 2025. The Finance Manager reported that the College's financial position had improved further, with the outlook continuing to strengthen following the receipt of the Government's Cost Pressures Grant. The accounts reflected a positive trajectory, with no unexpected variances potentially emerging in the final months of the financial year.</p> <p>The Principal noted that the College's financial health rating is currently forecasted as "Outstanding," subject to final year-end spending. The Committee discussed the implications of this rating, particularly in relation to staff expectations and union negotiations. Governors suggested that the College should frame its financial position within the context of a three-year capital investment plan, supported by in-year revenue surpluses. The Principal agreed, noting that the College's capital strategy is largely grant-funded, with additional contributions from College revenue.</p> <p>Governors asked whether there is any priority items included in the College's investment "wish list." The Principal outlined several areas under consideration, including the development of additional classrooms, repurposing library space, IT infrastructure upgrades, and improvements to lifts. He confirmed that if spending is required to support these priorities, it will be actioned accordingly.</p> <p>The Committee discussed the Cost Pressures Grant, which totals just over £250,000. The Principal advised that options for its use have been tabled and are currently under discussion with the Strategic Leadership Team and then the wider College Leadership Team. A proposal is to be brought to the Board in July, potentially via correspondence, for approval.</p> <p>The committee chair queried older debtors within the accounts. The Finance Manager explained that these typically relate to students awaiting HE loan approvals. In cases where loans are not secured, students are made aware that they are responsible for covering the costs themselves. He confirmed that these are usually complex but manageable cases.</p> <p><i>The Committee noted the strong financial performance to date and endorsed the ongoing planning around capital investment and use of the Cost Pressures Grant.</i></p>	
5.2	<p>2025/26 Capital & Revenue Budgets</p> <p>The Committee received the draft Capital and Revenue Budgets for 2025/26. The Principal introduced the paper, highlighting a proposed</p>	

capital expenditure of £2.2 million, covering estates improvements and IT infrastructure. Projects include the replacement of the football pitch and solar panel installation, for which planning permission has been secured. The solar project is expected to deliver annual savings over 25 years, with a payback period of under four years.

The draft budget forecasts an operating surplus of approximately £31k after subcontracting costs, with a Department for Education financial health score of “Good” anticipated. The Principal noted that this rating provides flexibility to bring forward longer-term infrastructure investments. Governors were asked to recommend the budget to the Board, with any final changes to be communicated via email, in advance of the July meeting.

The Committee discussed several financial considerations:

The College has budgeted for a 5% increase in pay costs, including a 3% consolidated pay award, a wellbeing payment, and steps toward becoming a Real Living Wage employer. Governors explored the approach to pay increases, with a focus on maintaining pay differentials while supporting lower-paid staff.

The Principal confirmed that staffing levels are sound, with vacancies currently being advertised. Additional investment is planned in mental health support, including on-site counselling via Mind, and a new post in the apprenticeships team.

A governor raised a query regarding the classification of the football subcontracting programme as an exceptional item. He suggested that, given its long-term nature, it should be treated as a core cost. Governors proposed a deeper financial review of the programme, particularly in light of projected growth. The Finance Manager agreed to review this and provide a clearer financial breakdown of the programme, including separate projections for income and expenditure. The Principal confirmed that the budget reflects the anticipated expansion of the programme.

The Committee also discussed the impact of external funding changes:

The College will benefit from 80% National Insurance contributions until March 2026, after which full costs will resume.

A pay review for schoolteachers had been extended to include Further Education colleges for the first time, with an additional £160 million allocated to 16–18 funding. This has not yet been factored into the College’s budget.

The Finance Manager noted that the current surplus figure of £31k sits precisely on the threshold between “Good” and “Outstanding” financial health. The Principal expressed confidence in the budget and highlighted the College’s improved cash position, with year-end balances projected at £5.656 million.

The Finance Manager was thanked by governors for his detailed work and expertise. The committee chair queried whether restructuring costs could be removed from the budget if no longer required. The Finance Manager confirmed they would be taken out.

The Committee endorsed the draft budget and agreed to recommend it to the Board of Governors for approval at the July meeting.

6.	Treasury Management	
	<p>6.1 2025-26 Counterparty List The Committee received the proposed Treasury Management Counterparty List for 2025/26. The Principal confirmed that the approach remains consistent with previous years, based on the College's Treasury Management Policy and the required credit ratings and regulatory standards.</p> <p>The Finance Manager advised that all listed counterparties, Barclays Bank plc, HSBC Bank plc, and Santander plc, had been reviewed and confirmed as compliant with the College's criteria. He expressed confidence in continuing to use these institutions.</p> <p>In response to a query from the Committee Chair regarding service quality, the Finance Manager reported that the College receives strong support from its banking partners, including proactive engagement, invitations to events, and favourable interest rates, particularly from Barclays. Discussions have also included green investment opportunities and sustainability initiatives.</p> <p><i>The Committee approved the 2025/26 Counterparty List and agreed to extend the authority for the Chief Finance Officer to invest College funds with these counterparties for periods between six and twelve months, where it is in the College's interest to do so.</i></p>	
7.	Policy and Other Matters	
7.1	<p>Committee Schedule of Business 2025/26 The Committee received the proposed Schedule of Business for the academic year 2025/26. The Director of Governance outlined the key change made to the schedule: the removal of the HR report from the June meeting, due to the short interval between the May and June meetings, which typically results in minimal change in the report's metrics.</p> <p>A governor suggested that the Committee consider a deep dive session on cyber security, dedicating a full meeting to the topic. The committee chair supported this proposal. Additionally, the Committee expressed interest in reviewing capital expenditure in more detail during the year.</p> <p>The Director of Governance advised that, as in previous years, governors will be invited to meet separately to discuss and agree deep dive topics for their committee to schedule during the next academic year. Governors were also encouraged to submit any further suggestions for topics via email.</p> <p><i>The Committee approved the Schedule of Business for 2025/26, subject to the inclusion of deep dives to be planned across the year. They agreed to recommend it to the Governing Body for formal approval.</i></p>	CB
7.2	<p>Travel and Expenses Policy The Committee received the updated Travel and Expenses Policy for approval. The Principal advised that the policy had been reviewed and brought forward with minor amendments, primarily to reflect increased costs associated with hotel accommodation and subsistence.</p> <p>Specifically, the maximum allowance for hotel stays remains at £125 per night (£150 within the M25), but the policy now includes clearer guidance</p>	

	<p>on sensible exceptions where higher costs may be justified due to location and travel logistics. Additionally, the Committee discussed the subsistence allowance for evening meals, particularly in London, where the current £20 limit was noted as increasingly difficult to meet.</p> <p>A governor shared her experience of similar challenges and suggested an increase. The Principal agreed and proposed raising the evening meal allowance to £25, which the Committee supported. The policy is to be updated accordingly.</p> <p><i>The Committee approved the revised Travel and Expenses Policy and agreed to recommend it to the Board for formal approval.</i></p>	
10.	Key Meeting Outcomes and/or Actions	
10.1	<p>Matters for report to the Governing Body</p> <ul style="list-style-type: none"> - Revenue and capital budgets - Management accounts period 9 - Tender process items 	
10.2	<p>Matters for report to the Audit Committee</p> <ul style="list-style-type: none"> - There were no matters to report to Audit. 	
11.	Summary Matters	
11.1	<p>Any Other Business</p> <p>Capital Planning and Tender Process</p> <p>The tender process paper, which was circulated to governors in advance of the meeting, outlined the College's obligation to conduct competitive procurement for goods and services exceeding £214,904 (inclusive of VAT), in line with financial regulations and public procurement standards.</p> <p>The paper sought governor approval for the Principal and Chief Executive to proceed with the procurement and contract commitments for several upcoming capital projects, such as student transport, synthetic pitch resurfacing, solar panel installation, and printer contracts, within the specified financial thresholds.</p> <p>The Committee discussed the importance of having a clear and forward-looking capital expenditure (CAPEX) plan. A governor suggested that it would be beneficial to see a three-year CAPEX plan at the start of each financial year, outlining key priorities and anticipated projects. Committee members agreed, noting that while individual items have been flagged over time, a consolidated forward plan would provide greater clarity and oversight.</p> <p>Governors noted that the approach represents a step forward in capital planning transparency.</p> <p>The Principal confirmed that a three-year CAPEX plan will be presented at the next F&GP meeting.</p> <p>The committee chair offered to share spreadsheet templates that could assist the finance team in structuring its capital planning documentation.</p> <p><i>The Committee supported the proposal and agreed to proceed as planned.</i></p> <p>College Car Park Lighting</p> <p>The staff governor raised a concern regarding the College car park</p>	KM

	<p>lighting, noting that the lights appear to remain on continuously and are not triggered by any movement, which may have implications for energy efficiency. He had contacted the Estates Manager regarding the matter. The Principal confirmed that the issue would be picked up for discussion at an upcoming meeting.</p> <p>Subcontracting Audit Outcome The Principal advised that the outcome of the subcontracting audit would be shared with the Committee on email the following day.</p> <p>Spending Review Governors asked whether there were any indications of changes likely to emerge from the upcoming government spending review. The Principal reported that, based on recent discussions with the Department for Education, the review is expected to be challenging, with no significant funding increases anticipated. The best-case scenario was said to be maintaining current funding levels. However, the College remains in a strong financial position.</p> <p>The Chair thanked all members for their contributions.</p> <p>Meeting closed at 19:00.</p>	
11.2	Date of Next Meeting – 12 November 2025, Jorvik meeting room	