

Minutes
Finance & Resources Committee
HRUC Governance

Date	04/03/2026	
Time	17:30 - 18:30	
Location	Microsoft Teams Meeting	
Governors	Sujit Reddy (SR) Susan Kingman (SK) Amanda Priem (AP) Mike Sutcliffe (MS) Divya Menon (DM) Theresa Pope (TP) Keith Smith (KS)	Chair Vice-Chair Governor Governor Governor Governor CEO – Ex Officio
Officers	Timothy Hulme (TH) Julie Amory (JA) Yomi Okunola (YO) Alex Denley (AD)	Chief Operating Officer Chief People Officer Chief Finance Officer Chief Technology Officer Interim Director of Governance
Clerk	Clare Mitchell (CM)	
Note Taker	Nataliia Tymkiv (NT)	

Minutes

1 - General disclaimer at the start of the meeting

The meeting was recorded for the purpose of minuting. No objections were raised.

2 - Apologies for absence

There were no apologies of absence.

3 - Declarations of interest

There were no declarations of interest.

4 - Minutes of the meeting on 3 December 2025

Resolution: The minutes of the meeting held on 3 December 2025 were unanimously approved.

5 - Matters arising

The Committee received updates on the matters arising. Most points had been completed, and where they had not yet been completed, updates had been provided.

The Committee noted the updates.

6 - Management accounts to 31 January 2026

The Committee received the management accounts for the first six months of the financial year. The CFO reported that the Group's financial position remained stable, performance

was ahead of budget year to date, and the Group continued to maintain an outstanding financial health position. The year-to-date position was supported primarily by favourable staffing costs, partially offset by lower adult, international and HE income and interest received.

The management accounts showed a year-to-date surplus of £0.4m ahead of budget. The revised full-year forecast was £4.8m, £0.2m ahead of budget. Key financial risks requiring ongoing focus included high needs income, agency staffing, estates-related expenditure and potential FE capital transformation fund (FECTF) grant clawback risk.

The Committee received an update on key KPIs, including an EBITDA margin of 8.6% year-to-date (against a forecast of 8.4%) and a cash balance of £27.3m (against a £30m full-year forecast). Management also highlighted relative business unit performance. The benchmark for contribution to central costs was 40%. This was being achieved at Harrow and Uxbridge but not at Richmond. The reasons for this were being reviewed.

The Committee discussed the shortfall in apprenticeship income and asked whether this was a profiling issue. The CFO reported that he was undertaking a deep dive into apprenticeship income and costs and would update the Committee once this piece of work had concluded.

Action: CFO to update the Committee on completion of his deep dive into apprenticeship income and costs

The Committee welcomed the revised format of the management accounts and commented that the updated presentation provided clearer visibility of performance and variances by College. Management outlined work underway to strengthen budget management discipline and provide training for staff.

The Committee discussed the report.

7 - Mid year forecast against budget

The Committee received a verbal update on the mid-year forecast against budget, noting that this was provided as a continuation of the January 2026 management accounts discussion above.

Management reported that a partial refresh of the mid-year forecast had been completed using a risk-based approach, reflecting the compressed timetable for developing the 2026/27 budget and the need to focus on the key risk areas. Two priority areas for the refresh were high needs income and staffing/headcount.

The Committee discussed assurance over staff costs, particularly agency costs. The CFO reported that an internal audit would be taking place shortly to review staff utilisation, workforce and resource planning, and that options for strengthening agency governance (including an approval panel approach) would be explored through EMT.

The CFO intended to deliver a refreshed mid-year forecast within the February management accounts and would hold a separate briefing with the Chair in advance to review the updated position and assumptions.

Action: CFO to provide the refreshed mid-year forecast with the February management accounts and hold a briefing with Chair of the Committee in advance of the next meeting

The CFO reported that no income had been forecast in 2025/26 for the new SEND provision at Barra Hall. However, mobilisation costs were being incurred this year, creating an adverse impact on this year's budget.

8 - Capital projects update

The Committee received an update on the capital projects programme and the funding streams supporting delivery. Investment was being funded through the FECTF, the Further Education Condition Allocation (FECA), and internally generated funds, including EBITDA.

The Committee noted that FECTF funds had to be spent by 31 March 2026 to avoid clawback. To manage delivery risk and protect the ability to claim the full FECTF grant, the remainder of these funds were now being used for eligible condition and legacy works.

Due to delays arising from the listed building process, the White House project would now proceed using internal funding (including EBITDA), rather than using FECTF grant funding. The target completion date was approximately September 2026, subject to approvals and finalisation of the business case for the use of the building. The Committee emphasised the importance of ensuring partner arrangements did not create additional net cost for the College.

Work on Barra Hall was also progressing. The contractors had requested a short extension because of delays caused by bad weather. An overspend of £54k was now forecast. The business case was being revisited to review operational assumptions, including catering provision.

Independent validation grant-funded cost allocations would be taking place to mitigate any clawback risk. Future updates to the Committee would include profit and loss reporting for each capital project.

Action: Future updates on estates capital projects would include profit and loss reporting for each project.

The Committee noted the capital projects update.

9 - Confidential items

9.1 - Confidential

The committee considered a confidential item. Owing to the confidential nature of the discussion, the details have not been included in these minutes.

9.2 - Confidential

The committee considered a confidential item. Owing to the confidential nature of the discussion, the details have not been included in these minutes.

10 - Staff survey update

The Committee received an update on the most recent staff survey and the proposed future approach to workforce insight. A staff survey is undertaken annually as part of HRUC's People Strategy and provided structured insight into staff engagement, leadership confidence, wellbeing, equality and inclusion, and organisational alignment. The results informed targeted management interventions and supported mitigation of Strategic Risk 1

(recruitment, retention, support and development of staff) and Strategic Risk 2 (control of permanent and agency staffing costs).

The Committee noted the headline findings reported, including a stable positive trajectory in several areas such as work-life balance, wellbeing, managing job pressure, recognition and confidence in leadership, alongside an increase in overall participation. The Committee discussed the areas identified for improvement, including all staff having regular one-to-ones with their manager and ensuring staff have a clearer understanding of organisational objectives.

The Committee noted that since the last staff survey cycle, the survey functionality available on the staff intranet had been removed following a change in licensing arrangements. As a result, HRUC did not currently have an internal survey mechanism suitable for whole-College deployment. Options were under evaluation to ensure continuity of workforce insight capability. Reinstating the survey functionality on the staff intranet would be the simplest solution but would have cost implications.

Action: CPO to discuss funding for staff survey functionality in 2025/26 with the CFO and report back to the Committee

The Committee discussed external validation options and noted the proposal to align future staff surveys with the Great Place to Work framework as a potential stepping stone towards future accreditation. Time would be needed to build participation and organisational readiness to improve the likelihood of success when the College applied for accreditation.

TP offered support to assist with this work and agreed to meet with the Chief People Officer outside of the meeting.

The Committee also noted that, alongside the main staff survey, a separate wellbeing pulse survey was used to gather more frequent feedback while avoiding survey fatigue.

Action: CPO and Theresa Pope to meet outside the meeting to support the proposed approach.

The Committee noted the update.

11 - Strategic risk register update

The Committee received an update on the strategic risk register, which was developed collectively by the EMT and reviewed monthly.

The main risks highlighted were workforce recruitment and retention (SR2), financial sustainability (SR8), and policy and governance (SR14). SR2 and SR8 had high gross risk scores of 18 before treatment, reducing to 8 after mitigation. SR14 remained at a score of 12 due to external factors. The high cost of agency staffing remained a significant risk.

The Committee suggested decoupling the alignment of business and financial planning with strategic objectives and student enrolment and income stream volatility in SR8. The CFO agreed to consider this separation.

The HR risks were in the process of being updated, the CPO having been away on jury service for some time.

It was noted that the Audit and Risk Committee would be conducting a deep dive on SR2 at their next meeting, suggesting that the Finance & Resources Committee might focus on other risks.

The Committee noted the importance of actively managing risks and asked for more time to be allocated to this item at future meetings.

Action: More time to be allocated for discussion on the strategic risk register at future meetings

12 - Any other business

The next meeting of the Committee on 30 April 2026 would review the budget/business plan for 2026/27. The length of this meeting would be extended to ninety minutes.

Action: Length of the F&R meeting on 30 April 2026 to be extended to ninety minutes

13 - Date of next meeting

- Thursday 30 April 2026 - 5.30pm - 6.30pm on Teams
- Wednesday 24 June 2026 - 5.30pm - 6.30pm on Teams