

CITY OF WOLVERHAMPTON COLLEGE

Minutes of a Meeting of the Finance and Resources Committee held on Thursday 13 November 2025 at 5pm on Teams

PRESENT

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| Mr Mark Taylor - Chair | Ms Louise Fall – Principal and Chief Executive |
| Mr Simon Evans | Mr Mike Hastings |

IN ATTENDANCE

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| Mrs Alison Buick | Head of Governance |
| Mr Paul Davies | Assistant Principal – Finance & IT |
| Mr Dan Harris | Head of Facilities and Procurement |
| Ms Jill Law | Head of Finance |
| Mr Peter Merry | Deputy Principal and Chief Executive |

CHAIR'S OPENING REMARKS

The Chair welcomed all to the meeting, thanking Governors for attending and the management team for the papers provided.

12/26 APOLOGIES AND DECLARATIONS OF INTEREST (ITEM 1)

There were no apologies as all committee members were present.

Mark Taylor made his usual declaration of loyalty as an employee of Wolverhampton City Council. He had not identified any conflicts from papers provided for this meeting but was willing to step out of the meeting for any discussions at the request of other governors.

It was also noted that Mark Taylor, Louise Fall and Peter Merry were all Directors of City of Wolverhampton College Enterprises Ltd, the accounts for which would be discussed later in the agenda.

13/26 MINUTES OF THE PREVIOUS MEETING (9 OCTOBER 2025) AND MATTERS ARISING (ITEM 2)

Resolved - that the minutes of the meeting held on 9 October 2025 be approved as a correct record.

The previously agreed actions were reviewed and the following noted:

- The Memorandum of Understanding had been considered and a meeting would be arranged for further discussion.
- Contact had been made with the Council to discuss funding for holiday activities.
- The Regularity Audit Self-Assessment Questionnaire would be covered later in the agenda.

14/26 CHAIR'S ACTIONS (ITEM 3)

None.

15/26 ESTATES REPORT (ITEM 7)

It was agreed to bring this item forward to be covered earlier in the meeting.

The Head of Facilities and Procurement referred to his written report and commented on the following:

CLQ

- CLQ had opened on 4 November so a significant milestone had now been reached after many years of planning. Teaching and learning had started on that date as planned.
- The college had partially occupied the building from 19 September and practical completion had been agreed on 17 October.
- The building was now being assessed for snagging and defects work.
- There remained some challenges, notably the completion of the performance area space.
- The position in respect of DfE legal charges was noted. Now that CLQ was open, there would be changes to legal charges existing at the former Metro One site and Paget Road.
- It was expected that the CTOG meetings would cease after December 2025, with all future estates and property matters being considered at this committee or at the Board meeting. These would be linked to the approved Property Strategy spanning the period to 2030, and also the Sustainability Strategy.

The Principal noted that several visits to CLQ had been hosted, including the Leader of the Council and other Cabinet members on 12 November. Very positive feedback had been received.

There was a discussion about the completion of the performance space. The specification and funding of this was still under discussion. The aspiration to agree some partnership working with the Grand Theatre was noted.

A Governor asked if the contractor was being responsive on snagging issues. The Head of Facilities and Procurement reported that there were currently no concerns about this. Project management staff were on site until December.

A Governor asked whether the college could access the public sector decarbonisation scheme. The Head of Facilities and Procurement stated that it was possible to apply but that the likelihood of success was assessed as low. There was some available capital grant funding but match funding was often required. A Governor thought that some lobbying through AOC and MPs would be worthwhile. The Deputy Principal and Chief Executive assured Governors that the college would continue to look at maximising its funding opportunities.

Paget Road Disposal

- Governors were aware that Persimmons had been selected as the preferred development partner for the Paget road site, subject to planning approval.
- Details of the key terms, identified risks and progress with the Heads of Terms were all noted, as set out in the written report.
- There were ongoing challenges with the three telecoms operators who leased the roof space and this now presented the greatest risk to the disposal of the site due to the legal protections that the operators benefited from known as the Telecom Code. Delays in removing the operators could prevent full vacant possession being offered to the developer, which would be a condition of the contract of sale. One of the three operators occupying the A Block roof space, was the provider of the emergency services network coverage in the local

area. Options for relocation were being considered but these needed to be compliant with the Telecom Code.

There was a short discussion about timescales, which were currently uncertain. It was hoped that issues could be resolved so that disposal funds could be used as planned for pay down of the college's debt. This would impact positively on the college's financial health.

Newhampton Art Centre

- The sale of the site to the Council was imminent but pending final legal resolution on two main points relating to wording of the overage deed and removal of a restriction on the title.
- Sale receipts, minus associated costs, would be used for pay down of college debts.
- NAC were seeking a 35 year lease agreement as this would support an application for Arts Council England funding.

(Simon Evans left at 5.38pm)

Wellington Road Update

- Governors were aware of work in recent years to build ATAC and add mezzanine floors to the Construction Centre.
- Further work was required and a 2023 condition survey had identified £1 million in required upgrades, with 20% deemed urgent.
- Several capital grants had been received, as noted in the report.
- £1.88m of FE College Condition Allocation had been received. An indicative expenditure plan for this across the current and next two financial years had been drafted, but was subject to a more detailed condition survey.
- Some work had already been completed, including the replacement flooring in the Student Hub and the re-configuration of the dance studio to a conference space.
- The bakery had been re-located during the summer and was now fully open.

A Governor asked if there was any feedback from staff about car parking at CLQ. The Principal responded that staff had been made aware of parking options, including the discount scheme agreed with the Council. However, some concerns had been raised about the closest car park, at St George's, as it was felt that the lighting and road surfaces were poor. It was unclear if there were any functioning CCTV cameras. This was a Council owned car park so discussions were taking place with Council officials. Some temporary lighting measures would be appreciated.

The Principal was only aware of feedback on parking from one student so far. Many students were using public transport.

Decarbonisation Strategy

- The decarbonisation strategy, Defining Green Futures, was in place. The overarching ambition was to achieve net zero carbon emissions by 2033.
- The written report included analysis of trends in electricity and gas consumption and costs, carbon emissions and space utilisation by site. Changes relating to fluctuations in costs as well as movement of some curriculum areas (automotive and engineering) to Wellington Road and the opening of ATAC were all noted.
- Current space utilisation figures indicated that this was relatively low. The college was working towards improving this to 40% overall.

The Head of Facilities and Procurement was thanked for his report and left at 6.05pm.

16/26 FINANCIAL STATEMENTS 2024/25

The Assistant Principal Finance, IT and Commercial presented the statutory accounts and associated documents relating to the year ended 31 July 2025, with the following aspects highlighted:

College Statutory Accounts

- Turnover for the year was £41.3m. This was lower than the previous year (£43.5m), largely due to the impact of the accelerated depreciation on Paget Road, deferred capital grants and movements relating to pensions in the accounts for 2023/24.
- The report cover sheet showed the reconciliation between figures in the management accounts and the statutory accounts.
- EBITDA was £4.1m (10.16%), which was a strong position.
- The RO14 final funding return had been submitted and the accounts reflected most of the associated adjustments. A final review was needed but the risk of adjustments was felt to be minimal at this stage.

City of Wolverhampton College Enterprises Ltd Statutory Accounts

- The Enterprises accounts were presented here for information and would be approved by the Directors at the AGM in December.

The Deputy Principal and Chief Executive noted the recent WMCA audit of the college's rail provision. Further work was required on this. Given that this was expected to continue into January 2026 it was likely to impact on the college's ability to submit approved accounts by the 31 December deadline. Contact would be made with DfE to request an extension. For reasons of confidentiality, the remainder of this discussion has been minuted separately.

(Simon Evans returned at 6.15pm)

The Assistant Principal returned to his commentary on the Enterprises accounts, which showed an increase in turnover of £113k with an associated increase in costs of £110k. The year-end profit of £30k would be gift aided to the college and the accounts consolidated with those of the college.

Key Issues for Discussion Document (KIDD)

The external auditors, Bishop Fleming, had provided their KIDD document (management letter) for discussion.

It was explained that the KIDD was a draft until the final RO14 return had been reviewed and the accounts were finalised. Governors could take assurance from the details of the audit work undertaken and the fact that no material adjustments had been identified. One adjustment that had been made was explained.

The Chair asked about the comment made in relation to Governor remuneration as this seemed unclear. The Assistant Principal noted that it referred to the Principal and Staff Governor, but that any remuneration they received was in respect of their roles as members of staff and not as Governors. No college Governors were paid for their roles.

The KIDD document was for information and would also be presented to the Audit Committee later in November. It was confirmed that the external audit had again gone very smoothly.

Regularity Audit Self-Assessment Questionnaire

Governors were reminded that the draft document had been received at the previous meeting, on 9th October. The outstanding information had now been received and the RAG rating requested by Governors had been included.

Aspects of the report were noted, including areas RAG rated as amber.

The Chair and Principal would be required to sign the Self-Assessment Questionnaire along with the accounts at the December Board meeting.

Letters of Representation

These were also provided for information and would be presented at Audit Committee for review. The letters were required under auditing standards and were in the standard template format. No specific additional representations had been requested at this time.

Resolved – that the statutory accounts for the college and subsidiary company were received.

17/26 MANAGEMENT ACCOUNTS SEPTEMBER 2025 (ITEM 5)

The Assistant Principal Finance, IT and Commercial shared his screen and provided an overview of the management accounts for September 2025.

Some scenario modelling had been completed to show the impact on EBITDA if there were reductions in partnership activity, which would reduce income and associated costs. A reduction in activity of 25% would reduce EBITDA to 6.18% and a reduction of 50% would reduce EBITDA to 4.95%.

In respect of 2025/26 to date, the pay analysis to October showed an underspend of £440k, largely due to vacancies. The impact of a pay award of up to 4% from February 2026 had been included within the budget for the year. The pay savings would be offset to some extent by agency staff costs, an area that was subject to further review. The Assistant Principal added that pay cost savings in the previous year were eroded towards year end by the pay award made in February 2025 and increases to national insurance and national living wage. The same impact was expected in this financial year.

The Principal commented that UCU were currently balloting members for potential strike action. A meeting was to be held with union officials in the following week. The ballot would end on 17 November so the college would be aware of the results thereafter. It was expected that an indication of a possible pay award would be taken to the December Board meeting. EMT would be considering affordability and impact on the college's financial health.

Variance analysis of overheads showed that, excluding partner costs, these were £1m higher than the previous year. However, there were additional costs for dual running of Paget Road and CLQ, as well as higher marketing costs associated with CLQ. Initial review had identified some potentially significant overhead savings for this year.

It was noted that the October accounts showed only the first two months of trading for the year, so provided only very early indications of the financial position.

Cash days were closely monitored and there were no concerns to report.

Governors had been provided with a copy of DfE's letter dated 4 November and relating to their assessment of the college's Financial Forecasting Return. DfE had

rated the college's financial health as outstanding for both 2024/25 and 2025/26. The Chair commented that this was an excellent position, with the college having previously been under financial notice to improve for many years.

Resolved – that the Management accounts to October 2025 were received.

18/26 POLICY APPROVALS (ITEM 6)

The Assistant Principal had provided the Financial Regulations for approval as part of the annual cycle of business at the last committee meeting in October. Since then there had been some amendments to ensure alignment to the requirements of the Procurement Act 2023, so an update was provided for this meeting

Resolved – that the Financial Regulations were approved.

The Treasury Management Policy had also been reviewed. There were no changes to the relevant code of practice and therefore no proposed changes to the policy.

Resolved – that the Treasury Management Policy was approved.

19/26 BIDS AND PROJECTS REPORT (ITEM 8)

The Deputy Principal and Chief Executive presented his report, which gave an update on discrete projects being funded through bids outside of the core college funding grants. These included Taking Teaching Further, Turing Scheme, Black Country Innovation Service, Inclusive Work Readiness Accelerator Programme, Youth Guarantee Trailblazer Project, Leadership and Management Project (WMCA) and DWP Youth Hub.

Bidding opportunities were selected based on capacity to deliver and financial/audit implications.

Details of each of the current projects were outlined. All gave opportunities for working in partnership with other organisations and the positive impact on students was noted.

20/26 CONFIDENTIALITY (ITEM 9)

Some aspects of item 16/26 had been recorded separately.

21/26 DATE AND TIME OF NEXT MEETING (ITEM 10)

Thursday 5 March 2026, 5pm on Teams.

A further meeting, provisionally on 29 January 2026, would be considered if necessary.

The meeting ended at 7.05pm.