



**USP College Corporation
Finance and Resources Committee**

**Minutes of the Meeting held on Tuesday 25 November 2025
Via MS Teams
Meeting commenced: 16.00hrs
Meeting ended: 17.50hrs**

Present

Phillip Lennon	Independent Member	Chair
Paul Wakeling	Independent Member	
Ben Akande	Independent Member	
Louise Aitken	Independent Member	
Dan Pearson	Chief Executive	

In attendance

Steven Hendy	Chief Finance Officer (CFO)
Clare White	Principal

Clerk

Sue Glover	Director of Governance
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FRC.42.25 Declaration of Interest

Members and officers were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

There were no declarations of interest.

FRC.43.25 Apologies for absence

There were no apologies for absence.

FRC.44.25 Unconfirmed minutes of the meeting held on 7 October 2025

The minutes of the meeting were approved and signed as a correct record, subject to a minor amendment as discussed.

FRC.45.25 Matters arising and action points from the minutes of the previous meeting

Members reviewed the action points arising from the meeting, noting the items that would be dealt with under this agenda and that the Health and Safety policy had been presented to the College's Policies and Procedures Committee with no further changes made. The insurance comparison would be presented at the next meeting in March.

The Principal presented a report on actions taken to improve the take-up of the bursary funds available, which had been requested at the previous meeting.

Members were informed that

- A review of the 2024/25 bursary fund shows a significant underspend for £358k, made up of unspent funds of £125k in 2024/25 and unspent funds of £233k carried forward from 2023/24.
- As a result, the College is now at risk of clawback, with the minimum amount expected being £233k as this was carried forward from 2023/24. However, the worst-case scenario is that the DfE clawback the whole amount of £358k, which includes unspent funds from 2024/25
- To strengthen oversight and improve outcomes, management of the Bursary Fund has now been transferred to the Assistant Principal for Student Experience, supported by MIS for compliance and data processing and a revised bursary strategy and improvement plan has been developed to
 - Increase student and parent awareness
 - Improve application conversion rates
 - Strengthen in-year assessment of need
 - Fully utilise funds in line with DfE expectations / reduce future clawback risk
 - Ensure bursary support directly enables participation, progression and attendance

In discussion, members agreed that, while bursary clawbacks do not affect the income and expenditure of the College, they do impact the College's cash balance. Members were informed that the DfE has increased focus on reporting details regarding funds spent, funds left and funds at risk.

The Committee thanked the Principal for the update and it was reassuring to note the improved measures in place to ensure that bursary funds are made easily accessible to students.

It was agreed that all other actions had been satisfactorily completed and that there were no other matters arising from the minutes of the previous meeting.

FRC.46.25 Safer Recruitment Policy

On behalf of the Director of HR, the Director of Governance presented for consideration and approval the Safer Recruitment Policy.

Members were advised that the policy has been reviewed and approved by the College's Policies & Procedures Committee and is presented to the Committee as part of the annual review cycle of the policy.

Members reviewed the detail of the policy noting that its purpose continues to ensure

- the safeguarding of all students and staff, which remains the highest priority
- appropriate checks are undertaken during the recruitment process to mitigate safeguarding risks
- all candidates are considered equally and consistently throughout the whole recruitment process
- compliance with all relevant legislation, recommendations and guidance

Members agreed that the highlighted minor changes proposed were appropriate and there were no further changes required.

However, the committee discussed the matter of DBS checks for existing staff and were informed that the College maintains a five-year cycle of checks supplemented by an annual self-declaration required as part of the KCSIE (Keeping Children Safe in Education) process. Members considered whether five years may be too long and it was agreed that the Principal would conduct a review of current practices against other colleges to determine whether this period was considered normal or whether this should be reduced. It was acknowledged that the Safer Recruitment policy was aimed at new staff recruitment and so DBS checks on existing staff would fall under the remit of the safeguarding policy and thus the outcome of such a review would be reported into the Quality Committee.

Agreed

The Finance and Resources Committee

- approves and recommends to the Corporation Board the Safer Recruitment Policy
- requested a review into the current practices, benchmarked against other colleges, to determine the time frame for the renewal of DBS checks on existing staff

FRC.47.25 Financial Statements 2024/25

The CFO presented the draft USP financial statements for 2024/25.

The Committee was advised that the Financial Statements would be presented to the Risk and Audit Committee at their meeting on 2 December for approval and recommendation to the Corporation Board on 9 December.

The CFO highlighted the main points arising in the preparation and audit of the 2024/25 financial statements:

- The College generated a total comprehensive income (ie overall surplus after pension adjustment) of £465k
- College reserves stand at £28.7m
- The financial health rating was 'good'
- Cash balances were over £4m
- The College has assessed itself as a going concern

Members reviewed the detail of the report, in particular:

- Income & Expenditure Account
- College Reserves
- Balance Sheet
- Consolidated statement of cash flows

It was agreed that the result is consistent with the financial picture presented throughout the year.

The CFO presented the ITEC Financial Statements for 2024/25.

Members were advised that

- ITEC made a small surplus of £20k, reducing historical losses to £115k
- A letter of support will be given to ITEC from the College
- As previously advised, the DfE requires a plan as to how the historical losses will be eliminated

Members were reminded that the losses were attributable to the historical apprenticeship delivery which had since ceased. The company is now used primarily to provide cleaning services for the College; however, it does receive income from acting as an exam centre and room lettings. The aim is for the company to make a £33k profit next year. It was noted that the ITEC accounts would be presented to the ITEC Board for approval.

Members asked that thanks on behalf of the Committee be passed to the finance team for the amount of good work done with regard to the audit.

Agreed

The Finance and Resources Committee agreed that

- the financial results for USP College are consistent with the financial picture presented through the year and should be commended to the Corporation Board

FRC.48.25 Financial Reporting – Management Accounts to 31 October 2025

The CFO presented the management accounts to 31 October 2025.

Members were advised that:

- The consolidated accounts for the period show an actual surplus of £279k compared to a budgeted surplus of £56k, resulting in an overall positive variance of £223k
- Cash balance at month end is £4m, which is higher than forecast but includes unspent capital grant funding received in June 2025, which are restricted funds and equate to circa £700k
- The balance sheet shows net current assets of £792k in line with expectations
- The current financial health forecast is to be 'outstanding'

Members reviewed the detail of the report, noting in particular:

- Financial KPI dashboard
- Financial performance tracker
- Income and Expenditure account
- 2-year cash flow forecast
- Balance Sheet
- Statement of cash flows
- Operational capital programme

In discussion, members agreed that the current position presented was a very positive one. They also thanked the CFO for the improvements to the format and schedules within the management accounts pack.

FRC.49.25 Financial Reporting – Financial update for November 2025

The CFO presented members with an update on key financial matters, which are in addition to the update provided in the October management accounts.

Members were updated on:

- Year-end 2024-25
- High level budget review for 2025-26
- 2025-26 enrolment numbers
- Pension actuarial valuation 2026-29
- Student space and capacity
- New build feasibility

Members discussed the issues raised in the report and, in response to questions, were advised that:

- the triennial pension revaluation has resulted in a reduction of employer contributions from 21.3% down to 17.8%, effective from April 2026
- calculation of the savings this change will generate for both in-year (2025/26) and full-year (2026/27) will be done as part of the budget review: early indications are that a saving of circa £60k will be saved in-year and circa £210k for a full -year

Members were updated on the enrolment numbers. Current student numbers (for 16-19 year olds) are 4,079 and 4,019 are projected at the end of T42, which is 151 students above our allocation of 3,868. The College is awaiting confirmation from the DfE of in-year funding for this anticipated increased recruitment.

The Committee thanked the CFO for a comprehensive update on College matters and asked to be kept informed of progress on the various matters discussed, as appropriate.

Agreed

The Finance and Resources Committee agreed to receive and note the:

- management accounts to 31 October 2025
- financial update at November 2025

FRC.50.25 DfE College Financial Forecasting Return (CFFR), Financial Statements review 2023-24 and Dashboard

The CFFR and dashboard were noted for information, which confirmed the financial position and financial health of the College.

FRC.51.25 XR Studios

The CFO gave a verbal update on the activities of XR Studios.

Members were advised that

- XR Studios activity is currently dominated by internal work for the College, such as prospectus QR codes, curriculum work and supporting bids
- Commercial activity is minimal

In discussion, the committee agreed that XR Studios should be primarily viewed and managed as a Research and Development (R&D) facility to support the College's digital strategy and embedded digital learning across the organisation. Any commercial income should be treated as a bonus. The focus would be on demonstrating its value for money and determining how to report on its R&D costs, given that XR Studios are currently showing a £200k operating loss for the year.

FRC.52.25 Property Strategy

The CFO gave a verbal update on the progress of the property strategy.

Members were advised that

- a new property strategy will be drafted in the new year, aligning with the new College strategy
- the new approach will aim to be more insightful, possibly utilising a gold/silver/bronze framework over a longer timeframe
- the draft plan is anticipated to be available at the end of January / beginning February

FRC.53.25 College Incident

The Principal provided members with an update on the recent serious incident involving a student at the College.

Members were advised that

- external reporting was comprehensive, with the Health & Safety England (HSE), Department for Education (DfE), College Insurers and the Chair of the Corporation being informed promptly
- a Riddor report was filed and confirmation received that no further action is required under this procedure
- the College provided extensive emotional and welfare support for students and staff affected by the incident
- when new students enrol with the College, there is often a lack of clear, timely safeguarding information flowing from schools/council to the College. The information often arrives late and via paper files, which is not helpful when trying to ascertain the needs of new students
- the College is exploring utilising digital systems, such as CPOMS, to speed up data transfer, although acknowledging that College staff still need to review each case individually and upload appropriate information

The Committee agreed that the incident had been well managed with effective communications and thanked the Principal for a very comprehensive update on the incident. It was agreed that the Committee Chair would update the Board on the management of the incident through his Committee report at the next meeting.

FRC.54.25 Any Other Business

There were no items of any other business.

FRC.55.25 Dates of scheduled meetings of the Finance and Resources Committee 2025/26

Tuesday 10 March 2026

Tuesday 23 June 2026

SIGNED AS A CORRECT RECORD:



DATE: 10 March 2026