

## **Contextual information around the role of Head of Finance**

The college is currently graded as “requires improvement” in respect financial health having for many years been “good” or “outstanding”. This grading is understood and agreed by the Education and Skills Funding Authority (ESFA) as part of a realistic plan which returns the College to outstanding within the next 3 years. The dip has been caused by demographics which have affected student recruitment and led to a necessary short-term emphasis on cash flow management.

The college maintains a forward Medium Term Financial Plan (MTFP) which predicts a “good” rating for 2019/20 and a return to “outstanding” by 2021/22. Maintenance of the MTFP together with annual budgets and budget management is a key accountability of the post. The “requires improvement” grading has resulted in increased scrutiny from the college’s regulators with an emphasis on cash flow management and forecasting, made more urgent by the impact of the COVID-19 pandemic. Again, cash flow management and the college’s response to the financial challenges posed by COVID-19 are key accountabilities of the post.

A recent initiative has been the development of a Curriculum Planning model which focuses on planned contribution to be delivered by the teaching departments. The model underpins the MTFP and, going forward, management accounts reporting requires development in order to hold teaching departments to account for actual against planned performance.

The role of Vice Principal Corporate Services oversees the financial leadership of the organisation. Detailed financial management is handled by the Finance team and specifically by the Head of Finance who is required to be a qualified accountant.

Government funding (over 80% of income) is under pressure from government budget cuts. This is an area of major change and consequently is likely to be an area of challenge in the future and a key priority. The impacts of Covid19 have been felt within the further education sector and as a result there is an increased focus by Government on sector finances with an emphasis on cash.

The College has a long-range financial planning model and an annual budget process. Budgeting and in-year budget management is the responsibility of the Head of Finance. Managing cash-flow will continue to be an important task in the future. The detailed work related to this is carried out by the Management Accountant and Head of Finance. Payroll is undertaken within the Finance Team.

Strategic oversight of the college’s finances is provided the Finance and General Purposes Committee and Audit Committees, sub-committees of the Corporation. The post holder, together with the Vice Principal Corporate Services, attend both committees and a key requirement of the post is the ability to prepare and present credible financial papers and reports at this level.

The post holder works closely with other colleagues across the corporate services team notably the Head of Funding and Exams and the Head of Human Resources. All 3 roles work closely with the senior management team in respect of planning college finances and determining where necessary savings are to be made. Close liaison is also required with the Clerk to the Corporation in order to service the requirements of the Finance and General Purposes Committee and Audit Committees.