Minutes

FINANCE & RESOURCES COMMITTEE MEETING

Date:	27 November 2023	Time:	4.00 PM
Chairperson:	Glyn Howells	Location:	Via Microsoft Teams

Present	Name	Role
Membership	Glyn Howells (GH)	External Member - Chair
	Iain Wolloff (IW)	Principal & Chief Executive
	Sally Osmond (SO)	External Member
	Julian Cooper (JC)	External Member
	Peter Lambert (PL)	External Member – Vice Chair
	Sue Richardson (SR)	Staff Member
Apologies:		
In Attendance:	Heather Large (HL)	Governance Professional (GP)
	Paula Powditch (PP)	Director of Finance (DF)
	Jo Houghton (JH)	Vice Principal – HE & Skills (VPHES)
	Lee Hunt (LH)	Deputy Principal & Vice Principal – FE & Curriculum (VPFEC)
	Cathy Wright (CW)	Vice Principal – Central Services (VPCS)
Quorum:	Three Members required	Meeting quorate

Item No.		Reports
1.	**COMMITTEE MEMBERSHIP** • Chair and Vice Chair It was confirmed by the Chair he would be resigning as a Governor at end of Term 1. It was, therefore, agreed that the Vice Chair, Peter Lambert will step up on a temporary basis to Chair. The Vice Chair position will be discussed at the next Board meeting. Peridot are currently seeking a new Governor with specific finance skills to join the Finance Committee in the Spring.	Verbal
2.	**APOLOGIES FOR ABSENCE** There were no apologies for absence.	Verbal
3.	**DECLARATIONS OF INTEREST** There were no declarations of any pecuniary, conflict or business interests in any of the agenda items.	Verbal

4.	**MINUTES OF THE PREVIOUS MEETING** The Governance Professional was asked to take out the wording around Greenham Trust under Agenda Item 5 second paragraph. Pending that change the Minutes were dully approved and will be signed and filed. **Action: Governance Professional to update the Minutes of 3 July 2023.**	Paper – 3
5.	**MATTERS ARISING FROM THE PREVIOUS MEETING** • Future HR updates should include a self-assessment report with key College KPIs. **Included in current paper - Closed** • Chair to send template on 'Well Led' KPI to Principal. **Ongoing.** • Finance Director to add cost centre line of £10k for Governance Costs. **Complete** • Principal to get some clearer guidance from the AOC on moving to a different Pension Provider. **Complete** • Finance Director to provide a list of all the assets the College is planning on buying and how they will be sourced. **Capital report included in papers - Closed** • CW to send out safer recruitment and statutory training required to Corporation members for completion. **Complete**	Paper – 9
6.	**MONTHLY MANAGEMENT ACCOUNTS** The Finance Director presented the management accounts report, which included updates on: • The Year-to-Date Operating Deficit of £431k is £229k favourable to budget • YTD total surplus of £569k is £229k favourable to budget which includes £1m profit from the sale of land • Overall income for 2023/24 is forecast to be £418k higher than budget • Overall expenditure for 2023/24 is forecast to be £68k lower than budget • Forecast operating deficit for 2023/24 has been reduced by £487k to £1.822m • Cash flow position for next 3 years -lowest cash balance in next 12 months is £1.5m in April 2024. Lowest cash balance in next 36 months is £1.2m in December 2025. Cash is not forecast to fall below 25 days but is heavily reliant on future tranches from the land sale Committee members raised questions relating to the report, including: • A request that the table on income and expenditure last column have another column showing the variance against the current actual rather than the year's actual. • Whether the minimum wage change impacted on the pay scenarios. The Committee were informed that a new paper had been submitted on this that would be considered as a confidential item. • If the aged debt process could be reviewed to include a strategy for recovery. Committee were informed of £22k provision for high risk debt.	Paper – 10

	• Committee queried the March 2024 £285k operational figure and Finance Director agreed to check it was accurate. • Committee noted the uplift in July 2027 where the budget will benefit from significant annual cost savings and were informed in the next finance paper there will be a section on individualised savings which will include depreciation and staffing costs etc. **Action: Finance Director to add another column on the income and expenditure table showing the variance against the current actual rather than the year's actual.** **Action: Finance Director to review the aged debt process to include a strategy for recovery.** **Action: Finance Director to check the March 2024 £285k operational figure.**	
7.	**STUDENT ENROLMENT** The Principal advised the Committee on the 2023-34 student enrolment which includes: • 16-18 Full Time Students – Growth of 171 with potential further planned growth in sports and football academies. Full year forecast is lower than the current enrolments but higher than the budgeted number. In year growth funding forecast to be approx. £300k • 19 plus Full and Part Time Students – On target but the comparative figure for 2022/23 is unhelpful because it included a significant number of distance learning students who enrolled in the previous year and rolled over into 2022/23. • Apprenticeships – Growth of 63 in comparison to the same period last year and on target to meet the budget target of 304. • UCN – Growth of 48 for direct entry and forecast to be above budget target due to the growth of the sport programme and engineering. The Committee noted: • Potential £140k additional income for the Adult Educational Budget (AEB). • UCN has been successful in increasing the OFS grant • Planned staffing to take on responsibilities around Behaviour, Leadership Structure and Cyber Security. • Requested more detail around student head count numbers and their budget allocation to determine where spending should be made. The Committee understood the caution necessary on how the detail is split as the College are working with the FE Commissioners on curriculum planning which gives better detail around contribution levels. • The Committee raised a query on the table showing trajectory versus actual but it was explained how the student numbers can be misleading particularly with regard to the 19 plus part time students where 16-19 figures are driven by the actual number. **Action: Principal to provide more detail around student head count numbers and their budget allocation in future updates**	Paper – 26

8.	**EXTERNAL FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2023** • 11.1 Audit Management Report 2022-23 • 11.2 Annual Statutory Accounts 2022-34 The Committee were informed by the Finance director that: • Audit Management Report had already been reviewed by the Audit Committee and were seeking Board approval at the Board meeting next week. • Annual Report and Financial statements have been agreed by the auditors. The Committee raised the following queries: • On page 3 of the Audit Management Report, 'trivial' is listed as being less than £11,200 yet on page 7 it states it is below £17,950 and queried which figure is correct. The Finance Director agreed to investigate. • Questioned if the fixed asset recommendation to only capitalise items over £1k should not also be applied to those under £1k, the College advised the intention is not to change current process • On the Annual Report, the Committee questioned if on Page 6 the deficit of £1,354k should be worded loss instead. • On the Annual Report Page 14 Committee questioned if the Clerk vacancies should be listed. • Within the Annual Report, the Committee queried if the key personnel should be listed with the titles they had last year rather than this year. • There is a discrepancy in the figures listed for key personnel as it refers to five and then later in the report it states six. The Committee were happy, subject to amendments being made, to recommend both the Audit Management Report and Annual Report and Financial Statements for Board Approval. **Action: Finance Director to investigate and update, if necessary, queries raised on the Audit Management Report and Annual Report**	Paper – 28 Paper - 46
9.	**ESFA FINANCIAL HEALTH AND DASHBOARD** The Committee were asked, by the Finance Director, to note the letter from the EFSA confirming that the financial health of the College has been assessed as requires improvement for 2022/23 and forecast 2023/24. The Financial dashboard emphasises both the increased expenditure that the college has decided to put in place for strategic purposes in response to inspection and to prepare for the end of the PFI, alongside the critical nature of the cash balance and dependence on the land sale. The Committee suggested attaching this as a note for the Board meeting.	Paper – 102
10.	**HR REPORT** The Committee received the updated HR Report from the VPCS which included: • The College gave a considerable pay rise to staff in 2023 compared to previous years and pays around the minimum wage level for its support and basic admin duties.	Paper - 112

		• Staffing levels changed according to need within the year, but within budget • Sessional staff include, teachers, football academy support, invigilators, and online learning assessors. • The Staff survey showed an improvement in 2023, with 88% engagement and 78% completion • Complaints made against the College were low and mostly relate to the Foundation Area • Mandatory Training Compliance is high • Labour turnover remained low for established teachers. • Labour Turnover for Foundation Learning was high • Absence within Foundation Learning remained high. • Vacancies remained higher than normal during the year, in the curriculum support areas The Committee noted that: • In relation to the benchmarking, the KPIs are now helpful and these will be tracked from this year onward • Questioned if the absence data is recorded as days. This was confirmed and that stress, anxiety and depression are the major sickness issues. The Committee suggested a deep dive on sickness patterns to address potential support. • Challenged why there was no number against employees over 60. • Asked if the stability figure is based on the number of staff who have been at the College for a year which was confirmed and that it is heavily impacted by leavers in Foundation Learning and the need to work on this area. • Queried if the vacancies are a snap shot which was confirmed. Committee noted the payroll spend is under budget and if that was due to staff vacancies, which was confirmed.	
11.		**GENDER PAY GAP REPORT** The VPCS presented the report and advised: • The gender pay gap calculation remained consistent year on year. Overall 71% of the workforce are female and a significant percentage are employed in support roles at minimum wage. The gaps for teaching and management roles are much closer and the percentage of women in the lower and top quartiles are similar to the benchmarks. The Committee challenged: • Why the Gender Pay Gap Report for 2023 had very little movement in comparison to last year and were advised that it is heavily impacted on the small amount of males in the minimum wage group.	Paper – 119

| 12. | **CONTINUING PROFESSIONAL DEVELOPMENT**
The VPCS presented the CPD Report highlighting:
A budget allocation of £25k
Five Staff Development Days
Management Development
Mandatory Training
Attending Conferences
Governor Training
The Committee raised questions on:
Whether there is any benchmarking with other Colleges on CPD budget allocation and the VPCS agreed to investigate this within the local College Hub.
Why Governors are having to do fire training as part of their statutory training. VPCS confirmed this was an error and will be taken down from Skillgate.
Action: VPCS to investigate if benchmarking data on CPD with other Colleges could be obtained.

Action: VPCS to remove fire statutory training for Governors. | Paper - 126 |
| 13. | **IT SERVICES UPDATE**
The Committee received a briefing on the items which included:
Introduction of Mobile Device Management system called InTune for all college owned devices.
One hundred laptops purchased and distributed since September 2023 totalling 1000 in total.
Staff devices registered that access College data number 250.
Projectors and screens continue to be replaced.
Funding for AI projected.
Work going on in setting up AI courses and how staff are being kept abreast of AI.
The Committee informed the College of:
Recent AOC meeting which had made recommendations for Governors to have a College laptop and multi factor security needed. A business case would be needed. | Paper - 133 |

14.	**MARKETING UPDATE** The report from the VPCS included: - A detailed report on how Marketing have reviewed their performance which is analysed using the Ofsted judgement grades - Marketing Objectives and KPIs - The use of social media, targeted collateral, campaigns and engagement activities being used to monitor marketing performance - Foundation learning needs for marketing support and more opportunities are being developed - Growth in LinkedIn - UCN Expo which includes Apprenticeship, FL and Career Awards The Committee asked: - If more social media could be used such as Facebook, Twitter, Instagram and Tik Tok. VPCS confirmed that these channels are used currently, and this is being discussed with Student Governors to see whether additional platforms should be engaged with.	Paper - 137
15.	**STRATEGIC DEVELOPMENT COMMITTEE*** **This is subject to a Confidential Minute**	Verbal
16.	**AOB** There were none. **Meeting Closed at 18:20 Hours**	
17.	**PAY AND CONDITIONS REVIEW*** **This is subject to a Confidential Minute**	Separate Paper

- Confidential items

Signed: *Peter Lambert*   (Chair) Date: 27 Aug 2024

Peter Lambert (Aug 27, 2024, 12:42pm)

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