

# Non-Confidential Minutes of a Meeting of the FINANCE AND RESOURCES COMMITTEE

held on 12 February 2025, 16.00-18.00pm

Online Via Teams

## **1/25 APOLOGIES**

Apologies were received from Mr Graham Barnetson. The Chair welcomed Members to the meeting. The Director of Governance confirmed that the meeting was quorate as per the Terms of Reference.

## **2/25 DECLARATIONS OF INTEREST**

There were no declarations of interest.

Mrs Jessica Garbett joined the meeting at this point.

## **3/25 APPROVAL OF THE NON-CONFIDENTIAL AND CONFIDENTIAL MINUTES OF THE MEETING OF 16 OCTOBER 2024**

The Director of Governance noted that the date of the meeting was missing from the minute templates and she would rectify this.

The non-confidential and confidential minutes of the meeting held 16 October 2024 were approved as a true record subject to the amendment noted above.

## **4/25 MATTERS ARISING FROM THE MINUTES OF 16 OCTOBER 2024**

The Director of Governance reported that all actions had been completed as detailed in the Actions Log.

The Committee were assured on the Monitoring of actions and Matters Arising to January 2025.

## **5/25 HEALTH AND SAFETY POLICY**

The College Campus and Health & Safety Manager joined the meeting and presented the Health & Safety Policy. She reported that the Policy had been significantly revised and highlighted two key areas concerning health surveillance and allergen management. It was noted that the health surveillance section had been omitted from the Policy index and would be added.

In response to a query from the Chair, the College Campus and Health & Safety Manager confirmed that health surveillance was optional however Health and Safety Executive (HSE) guidance advised it. In response to a further query from the Chair, the College Campus and Health & Safety Manager outlined the process for collection of health declarations and managing individual risk assessments. She referred to an example of a student with a nut allergy.

The Principal raised concerns regarding the Policy's coverage for off-site and international activities. She suggested adding a cross-reference linking the international travel and outdoor activity policies and Health & Safety Policy. The College Campus and Health & Safety Manager would add this.

A Co-opted Member raised a query regarding induction procedures for new staff. The College Campus and Health & Safety Manager outlined induction, mentoring and training for new staff including mandatory Health & Safety training.

A Co-opted Member enquired regarding dynamic risk assessments and how these were handled. The College Campus and Health & Safety Manager responded that whilst dynamic risk assessments were likely conducted informally, documented risk assessments were preferred for audit purposes. In response to a further query from the Co-opted Member, the College Campus and Health & Safety Manager confirmed that the risk assessment database allowed for updates and amendments.

A Co-opted Member enquired regarding noise assessments, particularly in the case of long-term noise levels from machinery. The College Campus and Health & Safety Manager confirmed the use of noise monitors. She gave an example of changes in room usage in J block requiring noise mitigation measures. She also reported that all noise assessments were recorded.

The Principal highlighted the importance of adding a reference in the Policy to dynamic risk assessments, particularly for unforeseen circumstances which she defined as exceptional, real-time situations. The College Campus and Health & Safety Manager would add this. A Co-opted Member supported this addition and emphasised the need for staff awareness.

The Committee RECOMMENDED the Health & Safety Policy for APPROVAL by Corporation subject to the amendments requested.

**6/25            TERMLY REPORT CONDITION SURVEY AND ESTATES REPORT (CONFIDENTIAL)**

**7/25            TERMLY REPORT ACTIVE CAPITAL PROJECTS (CONFIDENTIAL)**

**8/25    ANNUAL GENDER PAY GAP REPORT**

The Head of HR (Human Resources, People & Culture) joined the meeting and presented the Annual Gender Pay Gap Report. She explained that this was a mandatory reporting requirement for public sector organisations with over 250 employees. She also emphasised the College's commitment to the Equality Act and non-discrimination. She highlighted the report's benchmarking function within the FE sector and other public sector organisations offering insights into gender balance and pay disparities. The report acknowledged the significant gender imbalance in the lower quartile attributing this to the flexibility offered by lower-paid roles which tended to attract females due to childcare or caring responsibilities. She outlined the College's commitment to equal opportunities and outlined future commitments to address the gender pay gap.

There was some discussion regarding the limitations of the report in addressing complex societal factors and it was reiterated that the report was a legal requirement and essentially a statement of fact as at 31 March 2024.

The Committee RECOMMENDED the Gender Pay Gap Statutory Report 2023/24 for APPROVAL by Corporation.

**9/25    TERMLY HR REPORT**

The Head of HR (People & Culture) presented the Termly HR Report. She provided an overview of HR activities from October to December 2024 and future considerations. There had been a focus on reducing recruitment timelines. She also reported that the new HR and payroll systems were expected to be fully implemented within six months with payroll going live in April 2025. iHasco was being utilised for mandatory staff training and there were plans to integrate this with the new HR system. A new staff induction programme had been implemented and was well-received, she reported.

The College had achieved Age Friendly Employer status and maintained its Disability Confident Employer status. She outlined key metrics on staff turnover, sickness and equality, diversity and inclusion (EDI) data. She also reported on employee well-being and engagement including the successful piloting of a men's mental health drop-in café.

The Head of HR (People & Culture) also drew attention to new or updated legislation concerning employment rights; flexible working; protection from sexual harassment; Gender Pay Gap reporting; and zero hours workers.

A Member requested that organisation charts in reports include names against the posts for clarity. The Chief Operating Officer and Deputy CEO agreed to ensure this going forward.

The Chair thanked the Head of HR (People & Culture) for her thorough report and wished the team well with the forthcoming payroll system launch.

The Committee NOTED the report for ASSURANCE to Corporation and ALERT Corporation to new or updated employment legislation as outlined in the report. The Head of HR (People & Culture) left the meeting.

#### **10/25 REVIEW OF THE FINANCE STRATEGY**

The Interim Director of Finance presented a review of progress against the College's Financial Strategy 2024-2030. He reported that there was only one KPI (key performance indicator) that had not been achieved, the FE Commissioner benchmark regarding debt service cover, due to the 6.5% pay award and 5% increase in the Teachers' Pension Scheme, both of which were funded. The College's cash holding was significantly above the minimum FE Commissioner cash position.

The Chair acknowledged the benchmark and emphasised the importance of balancing staff costs with other essential expenditures, for example estate maintenance. The Interim Director of Finance agreed and highlighted the College's position and pressures with a larger estate and wider curriculum.

The Chair suggested including KPI target figures in future reports to track progress against the financial strategy.

The Committee NOTED the report for ASSURANCE to Corporation.

#### **11/25 MONTHLY FINANCE REPORT: MANAGEMENT ACCOUNTS AND LATEST ESTIMATE**

The Interim Director of Finance presented the Monthly Finance Report and Management Accounts and Latest Estimate to December 2024. The key points were as follows:

- 1) The forecast surplus for 2024-25 has increased by £303k from November although this is a result of the removal of old provisions (as agreed in the 2023-24 external audit) and does not represent a genuine cash movement.
- 2) The College's 16–19-year-old recruitment suggests that the College's 16–19-year-old income will be £300k higher than the budget and current forecast. The current forecast has not been updated for this as the ESFA state that in-year funding is subject to funding ability.
- 3) The current 16–19-year-old student numbers indicate growth of £900k in future year's income above that amount currently within the forecast (there will be a further 100 learners funded in future years that are not funded in 2024-25). The forecast will be updated when the income figure is confirmed as there will also be increases in the unit rate offset by wage and non-staff cost inflation.
- 4) Cash held at 31 December 2024 was £6,357k with £348k committed to capital projects and £3,567k of debt. Uncommitted cash before the additional £400k early repayment of debt in January 2025 is £4.3 million.
- 5) All banking covenants are currently forecast to be achieved.

The Interim Director of Finance reported on the early repayment of a £400k loan and the £3 million cash placed on deposit following Corporation's approval of this at the December 2024 meeting. He also reported on an exercise undertaken to remove the very old provisions in the balance sheet as agreed in the 2023/24 external audit. This had increased the surplus by £300k but did not represent genuine cash, only accounting adjustments. In response to a query from the Chair he explained that this related to previous audits and included items such as corporation tax, apprenticeship income and doubtful debts. He added that a similar adjustment had been made in January regarding capital projects.

In response to a query from the Chair, the Interim Director of Finance outlined subcontracting arrangements.

The Interim Director of Finance cautioned that savings in establishment costs were offset by agency costs, that in-year growth was offset by consumable costs, and that apprenticeship income was slightly lower but potentially offset by adult learning growth. He concluded that overall, the College's financial position was solid.

The format and clarity of the report was commended. Members were reminded that a video walkthrough of the report was also available.

The Committee NOTED the report for ALERT and ASSURANCE to Corporation.

#### **12/25 DEBTORS REPORT DEBT WRITE OFFS**

The Interim Director of Finance presented the Debtors Report and Debt Write Offs. There was no request to write off any of the College's debtors at this time. He explained that write offs over £45k to an individual or £250k collectively in any academic year must be reported to the Education and Skills Funding Agency (ESFA) under Managing Public Money (MPM) rules. He confirmed adherence with MPM.

The Chair suggested embedding routine small debt write-offs within the Monthly Finance Report and reserving separate reporting for items triggering MPM rules. The Interim Director of Finance confirmed that debtor information was included in the Management Accounts balance sheet section and that this report was a formality due to historical practice.

The Committee NOTED the report for ALERT to Corporation.

#### **13/25 DRAFT 3AS REPORT TO MARCH CORPORATION**

The Director of Governance explained that this would form the Committee's report to Corporation of those items that the Committee wished to alert Corporation to, assure Corporation on, and recommend for approval or action. The report would be drafted in consultation with the Chair and SLT lead and circulated to Members for comment and approval prior to inclusion in the board pack.

#### **14/25 GOVERNOR SELF-REVIEW OF MEETING**

The Chair led Members in a self-review of the meeting. She noted that the business had been carried out in the allotted time and there had been good discussion. The well-prepared papers were commended and it was considered that these facilitated focused discussions. A Co-opted Member expressed comfort with the pace of the meeting. The expertise of a Co-opted Member with experience in the construction industry and the value of his contributions and expertise in relation to estates issues was highlighted.

#### **15/25 ANY OTHER BUSINESS**

There was no other business.

#### **16/25 DATE OF NEXT MEETING**

Wednesday 11 June 2025, 4pm.