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

held on 25 February 2026, 1.15pm-3.30pm

Online Via Teams

1/26 APOLOGIES
Apologies were received from Graham Cooper.

2/26 DECLARATIONS OF INTEREST
David Ndzi declared an interest as a member of staff at the University of Portsmouth with regards to the College's partnership with the university.

3/26 APPROVAL OF THE NON-CONFIDENTIAL AND CONFIDENTIAL MINUTES OF THE MEETING OF 8 OCTOBER 2025
The non-confidential and confidential minutes of the meeting held 8 October 2025 were approved as a true record.

4/26 MATTERS ARISING FROM THE MINUTES OF 8 OCTOBER 2025
The Director of Governance reported on Matters Arising all of which had been actioned or superseded as detailed in the report.

The Committee were ASSURED on the Monitoring of actions and Matters Arising to February 2026.

5/26 HEALTH AND SAFETY POLICY
The Head of Estates and Safety joined the meeting and presented the Health and Safety Policy. The Committee received an update on the ongoing work to align existing policies and streamline them into a single overarching Health and Safety (H&S) Policy, with a number of smaller, subsidiary policies incorporated within the main framework. Members acknowledged the rationale for this approach and supported the direction of travel.

In response to a query regarding dissemination, it was confirmed that the H&S induction process provides staff with an overview of the relevant portal and associated policies to ensure awareness and accessibility.

The Committee discussed the extent to which wellbeing considerations should be reflected within the H&S Policy. It was noted that H&S has evolved to incorporate aspects of wellbeing; however, clarification was provided that the Human Resources (HR) function holds primary responsibility for wellbeing, whereas the H&S remit focuses on workplace risks. Members agreed that it would be beneficial to make explicit reference within the policy to the organisation's separate Wellbeing Strategy and ensure clear links between the two. The Head of Estates and Safety would include a clear link within the H&S Policy to the Wellbeing Strategy.

The Committee sought assurance on how compliance with policy expectations is monitored. It was confirmed that centrally planned audits are undertaken across all areas to track the implementation of procedures and ensure expectations are met. This is supplemented by coverage during Staff Development

Days (SDDs), providing a combination of inspection and information-sharing. It was further confirmed that findings are reported to the Senior Leadership Team (SLT) and the relevant Assistant Principal, with Heads of Learning (HoLs) tasked with ensuring that actions are addressed.

In response to a query on the classification of risk levels (high, medium, low), it was noted that guidance from the Health and Safety Executive (HSE) is used to inform categorisation, with certain environments, such as construction, identified as high risk.

Members discussed specific elements within the policy, including reference to eye test arrangements, noting that this content more closely aligns with a procedural document. It was acknowledged that, whilst this may not typically sit within a policy, its inclusion is currently appropriate to provide clarity for staff in the absence of a standalone document. It was also agreed that cross-referencing with the Expenses Policy would be beneficial. The Head of Estates and Safety would ensure cross-referencing between the H&S Policy and the Expenses Policy is included.

The Chair commended the clarity of the revised document and thanked the Head of Estates and Safety for presenting a thorough and accessible piece of work.

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

6/26 TERMLY REPORT CONDITION SURVEY AND ESTATES REPORT (CONFIDENTIAL)

7/26 ESTATES STRATEGY

The Chief Operating Officer and Deputy CEO presented the Estates Strategy. It was noted that the new Estates Strategy has been developed to extend to 2030, replacing the previous strategy which has now expired. The intention is to provide a comprehensive document that clearly sets out the composition of the College estate, underpinned by five strategic aims as outlined in the report. The Committee was advised that the Strategy has been developed in-house and incorporates recommendations arising from an internal audit of estates management, including the inclusion of an investment plan. It was further noted that the DfE has subsequently published its own estates strategy, and the College will review its document accordingly to ensure alignment where required. The Strategy includes an operational plan to provide oversight of key priorities and planned works. It was emphasised that the document will remain dynamic, reflecting changes in available capital funding, particularly through DfE allocations. A formal annual review will be undertaken, with any significant changes considered on an ongoing basis.

The Committee discussed the relationship between the Strategy and condition data, including the Further Education Condition Data Collection 2 (FECDC2) report. It was suggested that, once the FECDC2 outcomes are finalised, a second iteration of the Strategy should clearly identify any priority areas requiring attention, particularly where future grant funding bids may be necessary. This would provide a clear audit trail of need and prioritisation. The Head of Estates and Safety agreed to incorporate this approach.

The Committee sought assurance on how progress against the Strategy would be monitored. It was proposed that updates on delivery and costed priorities be incorporated into the Head of Estates and Safety's termly report, which would in turn inform ongoing updates to the Strategy. This approach was agreed.

The Committee welcomed the emphasis on inclusion within the Strategy and noted that student voice feedback has highlighted the need for additional and improved social spaces. It was reported that work is underway to develop options for enhancing social areas across the estate.

Members discussed the importance of ensuring that estate planning reflects changing patterns of learner behaviour, including the impact of emerging trends such as artificial intelligence and evolving study practices. It was recognised that flexibility will be required, as some spaces needed currently may not be required in the same form in future.

The Committee noted that students are currently utilising learning resource areas for social purposes and discussed the need to consider how spaces are designed, branded, and utilised to better support both learning and social interaction. The importance of well-designed social spaces in promoting student belonging and inclusion was emphasised.

It was suggested that, where appropriate, opportunities should be taken to align funding streams by linking condition-based works with enhancements to student spaces, particularly given the challenges in securing funding specifically for social space development.

The Committee recommended the Estates Strategy for approval, noting that it will require ongoing operational refinement as further information becomes available, particularly in relation to the FECDC2 survey and alignment with the DfE Estates Strategy. It was agreed that any material changes arising prior to Board approval should be clearly identified and communicated to Members.

The Committee RECOMMENDED the Estates Strategy for APPROVAL by Corporation.

The Head of Estates and Safety left the meeting.

8/26 TERMLY REPORT ACTIVE CAPITAL PROJECTS (CONFIDENTIAL)

9/26 DIGITAL INFRASTRUCTURE AND CYBER SECURITY ANNUAL REPORT

The Head of Information Technology (IT) and the Learning Resources Centre (LRC) joined the meeting and presented the Digital Infrastructure and Cyber Security Annual Report. He provided an overview of recent upgrades to firewall systems, noting that the College continues to experience persistent external probing. It was confirmed that both external threats and internal systems are effectively managed through security blocks, with intelligence gathered also contributing to safeguarding processes. Targeted safeguarding alerts are generated for curriculum teams, including reports highlighting concerns such as the use of specific keywords in student online activity. This includes the use of resources from the Internet Watch Foundation, with the flexibility to expand keyword monitoring where necessary.

The Committee was advised of significant upgrades to core infrastructure at the CECAMM site, providing future-proofing benefits. Further enhancements to the main campus are planned as part of the wider Transformation Project. Discussions are ongoing with Jisc regarding improved connectivity, with proposals to introduce resilient 10-gigabit links between sites. Existing back-up arrangements were confirmed, with data hosted at CECAMM and overnight back-ups undertaken through a contracted cloud service, providing additional resilience. The IT team is also working with Estates colleagues to progress the implementation of next-generation CCTV systems.

In response to a question regarding key risks, the Head of IT and LRC advised that cyber security remains an evolving area, and there is a continual focus on identifying further improvements. The implementation of the Microsoft Secure Score tool provides external analysis of the College's systems and highlights areas for enhancement, with colleges typically aiming for a benchmark score above 60.
It was emphasised that, despite technical controls, the greatest vulnerability remains user behaviour. As such, ongoing staff training and development of digital skills are a key priority to mitigate risk.

The Committee noted assurance that cyber security is being actively prioritised, with regular reporting providing oversight of emerging risks and mitigation actions.

The Committee discussed the development of closed circuit television (CCTV) capability, including the potential use of facial recognition technology. It was confirmed that, whilst the system has this capability, it

has not been implemented at this stage and would only be considered for safeguarding purposes where necessary.
Members were advised that appropriate policy provision is in place within the College's General Data Protection Regulation (GDPR) Policy, and that the matter has been considered by the Safeguarding Board, which concluded that such measures may be required in response to specific threats.

The Committee noted the report and expressed assurance in the robustness of the College's digital infrastructure and cyber security arrangements, including the continued focus on safeguarding, system resilience, and staff awareness.

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

The Head of IT and LRC left the meeting.

10/26 MONTHLY FINANCE REPORT, MANAGEMENT ACCOUNTS AND FORECAST
The Interim Director of Finance presented the Monthly Finance Report. The key points were as follows:

The report provided the management accounts for January 2026.
1) The forecast surplus for the year has improved to £644k (£1,445k EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) which has increased in January because of additional interest received from the use of overnight deposits. EBITDA/Educational Turnover is forecast to be 6.9% above the FE Commissioner benchmark of6%.
2) Cash held at 31 January 2026 was £7,681k equivalent to 145 cash days (with £3,500k being placed on deposit for 3 months to earn higher interest and the remainder on overnight deposit). The College's uncommitted cash holding is £3,629k after all committed capital projects short-term and working capital liabilities (this includes items such as the payroll and unspent student bursaries). The College's debt is £2,845k.
3) All banking covenants are currently forecast to be achieved.
4) The College's financial health ratios are provided in Appendix 4 and performance against the Financial Strategy KPIs (Key Performance Indicators) is provided in Appendix 8. The forecast EBITDA improvement would move
the College to Outstanding financial health. Whilst staff costs to income is 69% (compared to the FE Commissioner benchmark) this is a result of:
a. The inclusion of contingencies against staffing costs in the forecast
b. The College's significant High Needs income in comparison to total income. This area has a large amount of staff costs paid for by the local authority (with a 1:1 ratio of staff cost to income averaging up this ratio if the activity expands).
5) The month five (R05) student funding reports provide a positive picture on each contract compared to budget.

It was also reported that current unfilled vacancies had generated savings of £475k. It was noted that these savings are unlikely to be fully utilised within the current financial year, despite some expenditure on agency staff to support anticipated demand.

The Committee discussed staff pay and conditions in the context of financial planning and associated risk. It was noted that financial modelling has been undertaken, with a current forecast including a 4% pay assumption, and any increase above this level would need to be absorbed within existing budgets.
It was emphasised that consideration must extend beyond the current year to ensure longer-term sustainability, particularly given ongoing financial pressures within Special Educational Needs and Disabilities (SEND).

The Committee considered future planning assumptions and the use of indicators, such as application data, to assess likely trends. It was reported that the College currently holds a market share of approximately 51%, having increased from 47%, and that due to the Island's geographic context, this is expected to remain relatively stable. Student numbers across 16–18 and 14–16 provision have remained broadly consistent, supporting this position. However, it was noted that future demographic changes may result in a downturn in learner numbers, and this must be factored into forward planning.

The Committee noted several key risks impacting financial sustainability, including:
lower than expected growth in apprenticeships; risks within the adult skills offer, particularly due to the prevalence of high-level distance learning; potential clawback on T Level provision, despite increasing student numbers; and ongoing financial commitments relating to Delamite Ltd and the DfE Transformation Fund including
the need to provision for capital investment in new builds and associated equipment.

It was noted that, should student numbers not increase as projected, the College may not be able to sustain additional pay awards in future years.
The Committee highlighted the importance of considering wider financial commitments holistically, including the College's significant borrowing associated with capital developments and the potential need to prioritise debt repayment alongside investment in staff pay and infrastructure.

The Committee was advised that the new Finance Director is due to commence at the beginning of May and will be undertaking an initial orientation period.

The Committee noted the report, recognising the current financial position, associated risks, and the need for careful balancing of workforce investment, capital commitments, and long-term financial sustainability.

The Committee NOTED the Monthly Finance Report for ASSURANCE and ALERT to Corporation.

11/26 STAFF PAY AND CONDITIONS REPORT (CONFIDENTIAL)

12/26 TERMLY HR REPORT 2
The Head of HR (People & Culture) presented the Termly HR Report.

The Committee noted that staff turnover currently stands at 13.31%, which is well below the sector benchmark, indicating strong workforce stability at 97%. It was reported that some turnover is linked to pay differentials, particularly for Learning Support Assistants (LSAs), where alternative employment opportunities within schools and the care sector offer higher hourly rates. It was also noted that teacher turnover is not a significant concern, with strong levels of interest in advertised roles. This was evidenced by recent recruitment activity, including an administrative vacancy which attracted 68 applications, of which 45 met the criteria for shortlisting.
The Committee further noted that, in some cases, former staff have reapplied and returned to the College, which was viewed as a positive indicator of the organisation's employment offer.

Ongoing recruitment challenges were highlighted in specific areas, including engineering and traditional trades. It was noted that these challenges reflect wider sector pressures, including increased demand linked to construction activity and a limited pool of qualified professionals.

The Committee was advised that the College is actively engaging with national recruitment campaigns aimed at attracting individuals into teaching, working in collaboration with communications and marketing teams. Additionally, targeted retention and incentive payments, due for release in March, are being used both as a retention tool and to support recruitment activity.

The Committee noted that staff attendance and sickness levels are higher than desired. Work is ongoing to address this through a focus on attendance management, rather than solely sickness absence, alongside the provision of reasonable adjustments and support mechanisms where appropriate.

The report included an update on the development of the College's culture and CARES (collaborative, accountable, respectful, excellent, sustainable) values framework, providing assurance that the SLT is progressing work to align organisational culture with governance expectations.

The Committee was also advised of upcoming legislative changes arising from the Employment Rights Act, which will introduce a range of new requirements, including changes to probationary periods. The HR team is actively preparing for these changes to ensure compliance, while also safeguarding the position of existing staff.

The Committee noted two recent positive appointments, with candidates relocating to the Island to take up roles within the College.

The Committee thanked the Head of HR (People & Culture) for a comprehensive report and noted the positive workforce stability alongside the ongoing challenges in specific recruitment areas and attendance management.

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

13/26 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 circulated to Members for comment and approval prior to inclusion in the board pack.

14/26 GOVERNOR SELF-REVIEW OF MEETING

The Chair led Members in a self-review of the meeting. The Committee reflected on the effectiveness of the meeting, noting that discussions had been productive and that key items had been explored in appropriate depth. Members acknowledged that the agenda had been substantial, encompassing a number of important and complex topics. It was emphasised that sufficient time should be allocated to those areas requiring detailed scrutiny, while ensuring that priority items are addressed early in the agenda. The Committee discussed the importance of balancing breadth and depth, particularly in relation to significant areas such as Human Resources, Health & Safety, and Digital Infrastructure. It was recognised that these items had been well chaired, enabling effective discussion. It was suggested that, in future, the SLT may wish to identify the most critical items for Committee consideration and prioritise these accordingly within the agenda to support efficient and effective use of time.

15/26 AOC NETWORK MEETING FEEDBACK

There was nothing to report.

16/26 ANY OTHER BUSINESS

There was no other business.

17/26 DATE OF NEXT MEETING

Wednesday 17th June 2026