Minutes

SEG Resources Committee Meeting

Governor Meetings

Date	19/11/2025
Time	5:00 PM - 7:00 PM
Location	SC Boardroom
Governors Present	Margaret Boneham (Independent Member and Committee Chair) Michelle Brabner - Principal – (Ex-Officio Member) *Colin Davies (Independent Member) Rob Firth (Associate Member) Claire Moffat-Lonsdale (Independent Member) *Mike Naden (Independent Member) Paul Walker (Independent Member - Corporation Chair)
In Attendance	Paris Bonwick (Vice Principal - Business Services) Lisa Farnhill (Dir. Governance and Compliance) Christian Hoehn (Head of IT) (up to and including item 7) Alison McDowell (Vice Principal People and Culture) Stephen Musa (Deputy Principal) Jane Rowley (Assistant Principal Curriculum, Quality, Teaching and Learning) (up to and including item 8) Paula Smith (Vice Principal Finance)
Apologies	None
Absent	None

1 - WELCOME & APOLOGIES FOR ABSENCE

The meeting commenced with a welcome to all attendees. Introductions were made for the benefit of new Governors and members of staff attending for the first time. Apologies for absence were outlined and accepted.

Item 1: Accepted

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2 - DECLARATION OF INTERESTS

No specific interests relevant to the meeting were declared by any of the attendees.

Item 2: Noted

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3 - MINUTES/MATTERS ARISING

The minutes of the previous meeting held on 23rd September 2025 were reviewed. Members noted that amendments suggested by the Chair had already been incorporated, with members asked to confirm all actions were captured in the subsequent agenda item. There was a brief discussion about the suggested redactions, outlining the rationale for redacting the pay award negotiation information. The minutes were approved without further queries or alterations.

Item 3 - Approved: The minutes of the previous meeting held on 23rd September 2025 were approved.

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4 - ACTIONS AND IMPACT STATEMENTS

The Dir. Governance and Compliance provided an overview of the progress made on actions from the previous meeting. Members noted most actions were embedded into papers to be presented under agenda items . Attention drawn to policies that had been reviewed, with members noting the staff pay award had been actioned and subsequently approved in the Corporation meeting, with the Committee now asked to review and confirm the affordability ahead of it being finalised.

The Committee noted the bank mandate updates were completed in line with recommended actions and all other actions were either addressed in subsequent items. Members confirmed no additional matters required an update.

4.1 - KPI SCORECARD

The Chair acknowledged that there were four areas highlighted in red on the Resources KPI scorecard, with the Vice Principal Business Services confirming that they would be addressed under items within the meeting. Members noted the areas included enrolment targets and specific figures related to specific funding streams, including Test and Learn, NSF and devolved LCR funding. Members were assured that the figures were not flagged as critical at this point due to the early stage of the delivery cycle, with opportunities for adjustment still available.

Item 4: Resolved – The Committee resolved to note the update and approved the impact statements

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5 - CONFIDENTIAL BUSINESS

The committee confirmed that discussions around the staff pay award in the minutes from 23rd September should remain confidential. Members noted that negotiations had been completed, and the information provided by the Principal to the staff was transparent and included a full rationale and outline of the approval process. Members agreed that the detail of the discussions and negotiations should be redacted and not published to protect the negotiation process.

The Committee agreed that no new items from the current meeting were deemed confidential, and staff could remain, or withdraw after delivering their reports.

Item 5: Resolved – Discussions under item 12.2, staff pay award, from the minutes of the meeting held on 23rd September 2025, should be redacted from the public copy of the minutes.

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6 - RISK MOVEMENTS

The risk movements report was discussed, highlighting updates since the last meeting. Members noted that the SLT review on 11th September had addressed changes to some risks, including the risk related to the national living wage, with subsequent discussions by the SLT resulting in a proposal to remove this risk. Members discussed how the original risk had evolved, focusing more on the supply chain rather than the initial concern about employee remuneration. Members agreed the risk had become unclear, and the controllable element, was now no longer considered a risk, with the requirement for the College to pay the living wage statutory, and embedded into the budget, with the college's financial health meaning this was achievable without impacting the financial health grade.

A member highlighted how the highest number of risks, 12 of the 22, were aligned to the work of this Committee, indicating the importance of their work.

Item 6: Noted – The Committee noted the update

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7 - IT STRATEGY

The Head of IT presented the IT strategy, reflecting on progress against the 24/25 annual targets and long-term objectives, highlighting the reliance on IT infrastructure, and competitive nature, in terms of staffing and pace of progress in the development of new technology. The challenges in developing a strategy in a critical, and progressive area of the organisation were highlighted, acknowledging the current document was an operational action plan, with members challenging it being entitled an IT strategy.

Operational successes and challenges were emphasised, including the implementation of the new Civica finance system, noting the ease of use due to the integration of Microsoft software, to automate procurement. The discussion highlighted the complexity of the organisation, with the same IT needs as a large organisation, under the budget constraints of a small college. The Head of IT acknowledged the impact of the progress of AI and need for digital transformation, balancing the needs of many users and stakeholders resulted in the need for a dynamic strategy that considers competition from major players like Google and Microsoft, and internal disruptions.

Staffing was discussed at length, with members asking about levels of experience, staff retention, training, length of service, recruitment challenges, and pay. Whilst acknowledging the progress in increasing the size of the team and improving retention it was still considered to be an area of risk. Members discussed the reasons and mitigations at length, reflecting on this as the rationale for the reactive and operational strategy, commending the work done to make progress under challenging circumstances.

The Head of IT indicated his preference for approaching strategy using a SWOT analysis to guide strategic decisions, addressing weaknesses such as staff turnover and the diverse needs of the student population. The committee discussed the importance of linking the IT strategy to teaching and learning, digital transformation and estate strategies, with suggestions for an awareness of costings and requirements necessary to be more progressive, including developing a smart campus.

Members indicated the budget implications were unclear, asking about the current allocation and use, with it explained the £400,000 budget was to maintain provision and fund the current refresh cycle. The committee was informed updates and replacements were essential as suppliers phase out software updates on older model devices, increasing the risks of cyber threats, as well as impacting usability. Members asked about the impact on student satisfaction and teaching and learning. They discussed at length the potential need for additional resources to address the risks, along with the importance of understanding the risks associated with asset utilisation. Members concluded they needed clearer guides in terms of cost implications for maintenance of provision, developing a more robust strategy and for what would be considered the most advanced and progressive IT options, to ensure cost benefit analysis could be undertaken and prioritisation during the budget setting process.

The Committee asked about the statutory requirements relating to the development of an IT strategy, whilst considering the benefits and drawbacks of long-term planning. They thanked the Head of IT for progress to date, and whilst acknowledging the available resources limited the ability to develop and deliver on a progressive and ambitious strategy, they indicated an expectation for longer term planning and guided prioritisation from the IT team. They asked that a follow up paper incorporates suggested costings for projects that could be considered should funding be available, with risk ratings to guide the committee when making budgeting decisions, with the Vice Principal Business Services confirming he would offer support in developing a strategy in line with the DfE requirements.

Item 7 – Resolved: The Committee resolved to accept the update, subject to a rewrite of the strategy to incorporate a longer-term view and consider use of current resource allocation, risks and options for any additional available resources.

Task: Develop a formal IT strategy document using the new DfE guidance, separating strategic direction from the annual operational plan, and present it to the appropriate committee for review.
Task: Prepare an approximate costing paper outlining best case, minimum, and affordable IT asset refresh scenarios, including associated risks, for committee review.

8 - ANNUAL STAFF DEVELOPMENT REPORT 2024/25

The annual staff development report was presented by the Assistant Principal Curriculum, Quality, Teaching and Learning. The report outlined activities from the previous year, alongside priorities for staff development, incorporating mandatory training such as safeguarding and health and safety, and prioritising the improvement of teaching and learning.

Members noted feedback from staff highlighted issues around the leadership of teaching and learning, with a new structure and new staff now in post with reassurances given over improvements already being seen. The Assistant Principal Curriculum, Quality, Teaching and Learning highlighted the need for advanced teaching and learning practitioners to receive training themselves, and preparation for the new inspection framework.

Members asked about the lower number of training events in the year of review, compared to the prior year, noting this was intentional, with there having been a large number of programmes delivered to all staff, noting the trauma-informed approach being introduced as a whole-college initiative, with all staff trained in this area to improve the connection and relationship between staff and students. Members noted the focus on maximising cost efficiency through the use of in-house training, as well as cascading knowledge from external events to others, with a cost-benefit approach taken when considering the approval of external training, noting the reduction in expensive training for the benefit of a sole employee.

Members noted the decline in the satisfaction in the end of year survey, being advised this decline was after a three-year improvement. Reasons included a lack of focus from the teaching and learning strategy, and leadership issues. Members were assured by the updated management structure and advised a new strategy had been developed over summer, and implementation had already had a positive impact. Members were informed that improvements in delivery were already being noticed, being advised of the positive start-of-year student survey results, with increased response rates and improved satisfaction, which showed the most positive results seen in the last five years, indicating a strong start for the current year. In response to questions about the number of student responses, it was confirmed to be 1,002. Members highlighted the value of analysing results between the two college sites and the need for detailed breakdowns by course, area, ethnicity, and age. Memebrs were advised this level of analysis had been done, and fed into relevant areas, with members suggesting that future reports should include this detailed analysis to better understand the trends and areas needing improvement. Members also suggested including comparative figures from previous years to highlight progress or areas of concern to further improve data analysis and transparency. The discussion concluded with assurances that this level of analysis was undertaken, with a commitment to ensure that future reports provide more detailed and transparent data analysis, particularly where a decline is noted.

Task: Analyse student survey results by subject, course, area, ethnicity, and age, and provide trend analysis to the committee for greater visibility on areas of decline.

Item 8 – Resolved: The Committee resolved to note the assurances provided by the update.

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9 - TERMLY HR REPORT

Members were advised that there had been a termly update provided at the last meeting, therefore this report focused on the updating of policies.

The Vice Principal People and Culture confirmed a full review of the grievance, disciplinary, and capability procedures for staff had been undertaken, noting these aligned with the recently reviewed and approved policies for senior post holders. It was noted that there were no significant changes to the policies in terms of processes, being assured of compliance with current legislation, however, noted wording had been reviewed to ensure clarity and consistency, with an outline of the wording updates provided.

Members queried the process for updating policies and commended the clear presentation of updates, noting the rationale.

Questions were invited, with members asking about the college's management of stress in the workplace, and the robustness of the associated policies, noting a focus in HE with scrutiny from the Health and Safety Executive (HSE) on the wellbeing of staff in the HE sector. It was acknowledged that the existing stress policy is outdated, and work is underway to develop a new mental health policy for staff that aligned with SEG practice. Members were assured that although the policy was outdated, there was reassurance that the college's practices for supporting staff under stress are robust, with the updates intended to ensure that these supportive measures and practices recognised as best practice in the sector, are documented.

Further questions were raised about the legal review and review process of HR policies. Members were advised it included a check against ACAS codes of practice, with the committee noting the college subscribes to a legal advice service, with templates provided and occasional reviews by solicitors to ensure any statutory updates are incorporated and that the policies are legally compliant.

Task: Review and update the staff stress policy and mental health policies, and advise the committee when the new or revised policies have been approved by the SLT.

Item 9 – Resolved: The Committee resolved to recommend the Corporation approve the updated policies.

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10 - MARKETING STRATEGY/ENROLMENT UPDATE

The marketing strategy and enrolment update were presented by the Deputy Principal, confirming the new longer-term marketing strategy approved before the summer had been implemented. The enrolment figures for 2025/2026 were discussed, noting that 1,993 learners were recruited in August and September, with a retention rate of 95% predicted based on historical data. The actual attrition rate was lower than expected, indicating positive retention trends. Members noted this was as a result of a supportive and more effective induction, and higher student satisfaction, with initiatives from the happiness project expected to have positively influenced retention.

Members were advised of the investment in new application software called Applica, which had improved the student experience during the application process and enhanced parental oversight, with users providing positive feedback. On response to questions about expected recruitment, members were advised attendance at course discussions was noted to be higher than previous years, indicating better engagement from students. The importance of a smooth student journey from application to enrolment was emphasised by the Deputy Principal, with discussion around the post-pandemic shift in increased parental involvement in the process. Members asked about the likelihood of parental involvement continuing to be more prevalent, with staff indicating students are less independent and more reliant on support than they were before the pandemic, which had been noticed across the sector, with assurances around how the new software enabled and supported this.

Concerns were raised about the fluctuation in application numbers from feeder schools, with assurances provided around timing of school support of applications, which varies year to year based on the schools' internal priorities and schedules for supporting with applications. It was noted that applications are up by 11% at KGV but down at Southport College by 17%. Members reflected on the early point at which the data was taken from, and discussed further the impact of feeder school applications, noting one school had not yet started the process, indicating this was not a cause for concern. The discussion reiterated the need for cautious interpretation of these figures due to timing differences in application submissions, with assurances of continued monitoring of application data and actions in place to drive up additional applications.

Members discussed the competitive landscape, asking about the main competitors and post enrolment analysis of where students that had applied, but not enrolled had subsequently chosen to attend. Members emphasised the importance of understanding where students are going and the factors influencing their choices to prevent further decline, being assured by the team's analysis of the information, which indicated no clear trends or underlying issues, with a range of alternatives chosen for a variety of reasons.

Item 10 - Resolved: The committee resolved to note the update and to continue monitoring application trends and competitor activity to ensure strong recruitment.

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11 - ESTATES REPORT

The Vice Principal Business Services presented a summary of the estates report, with members noting this provided a comprehensive update on a number of matters, that had previously been subject to separate reports. Members noted the update, which included progress relating to the demolition of the Fern Building, fire alarm upgrades at KGV, and infrastructure improvements, in addition to routine maintenance and required testing. Members commended the new format, asking that future reports also include a section on statutory compliance, risks and concerns.

Members were provided with an update on planning permission approval for the Fern Building demolition, noting this had been granted, with conditions to be released by the council. Members confirmed the demolition process has started, with the compound set up and soft strip-out underway, with assurances around progress provided.

The Vice Principal Business Services informed the Committee that the major upgrades to the fire alarm system at KGV had been completed, replacing all sensors and achieving Level Four certification. Other infrastructure improvements were noted as fire safety door upgrades and accessibility enhancements across campuses, with a new estates manager appointed following the departure of the head of facilities.

Members discussed the improved utilisation of buildings with the 'Sign Right Building', now functional and being utilised, having been unoccupied for a long period. Questions were raised about statutory compliance, particularly regarding fixed wire testing, asbestos management, and fire door audits. It was confirmed that legionella testing was regularly completed, fixed wire testing has been completed, and a full reassessment of asbestos across both campuses was scheduled, noting no works had been done, however, reassessment was considered good practice. Members were assured that fire door audits have been planned to support with development of a strategy to ensure compliance.

The item concluded with reiteration around the importance of maintaining statutory compliance and addressing any areas of concern promptly, with the committee appreciating the new clear reporting format.

Item 11 - Resolved: The committee resolved to accept the estates report and acknowledged the ongoing efforts to improve infrastructure and ensure safety across the campuses.

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12 - IAS REPORTS

The initial findings of the IAS review of estates were presented by the Vice Principal Business Services, highlighting recommendations related to fixed wire testing, asbestos management, review cycles, and staff training compliance. Members were informed that fixed wire testing revealed that the previous test was not 100% sampled, with efforts underway to complete the testing and address all outstanding issues. Members discussed risks and concerns in relation to asbestos management, noting this is being reassessed, with plans to inspect low-risk areas regularly. In response to questions, members were assured that there were no risks to safety or insurance implications.

Staff training compliance was noted as an area needing improvement, noting this had been impacted by staff absence and changes in personnel, with assurances provided of efforts to ensure all mandatory training is completed. Members were informed that various policies were updated to reflect new job titles and roles, with a focus on maintaining statutory compliance.

Members asked about the review process and performance of the auditors, with discussion acknowledging the thoroughness of the IAS review and the importance of addressing the identified issues, noting all the recommendations had been accepted by management with appropriate timeframes for completion.

Item 12: Resolved - The committee resolved to accept the assurances provided by the IAS report.

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13 - FINANCIAL REPORTS

13.1 - Management Accounts

The management accounts for August and September were presented by the Vice Principal Finance, showing a favourable variance of £326,000. Members were advised that income was slightly up, pay costs were favourable, and non-pay costs were ahead of profile. Maintenance costs were noted to be slightly ahead of schedule, and depreciation was being reviewed for mid-year adjustments, with the committee informed this would be presented at the next meeting.

The financial health position was confirmed to be good, with staff salaries as a percentage of income at 68.6% and a cash balance of £6.1 million. The discussion acknowledged the positive financial position and the importance of maintaining good financial health whilst balancing the need to continually invest in staff and resources, noting the risks associated with outstanding financial health.

The management accounts were accepted and approved.

Item 13.1 – Resolved: The committee accepted and approved the management accounts for August and September (2025).

13.2 - Cash Flow

The Vice Principal Finance presented the cash flow forecast, highlighting key assumptions and projections for the next five years. Members noted that the forecast showed a cash balance of £3.2 million by July 2030, with cash days in hand currently standing at 66. Assumptions were summarised, noting these included a decrease in student numbers, an increase in pay costs, and a prudent increase in funding rates.

The discussion acknowledged the challenges of forecasting over a long period and the importance of maintaining reasonable assumptions. The forecast was accepted, with members commenting on how over their time on the committee, the forecasts had always been more prudent than the outturn.

Item 13.1 – Resolved: The committee resolved to accept the assurances provided by the prudent cash flow forecast.

13.3 - Financial Statements 2024/2025

The Financial Statements for 2024/2025 were presented, noting these needed to be recommended for approval by the Corporation, following a further review by the Audit Committee, which would be supported by a presentation from the Auditors.

The process of the review was summarised, noting the final checks were now being undertaken, which focused on formatting and typing errors. Members were advised the process had been smooth, and clean audit anticipated, with members commending the accuracy of the accounts.

Attention was drawn to a typing error, with duplication of the word ‘group’, with a note taken to remove this ahead of the final check by WBG.

The discussion covered the importance of maintaining good financial health and the sensitivity of the EBITDA ratio, with members indicating the accounts were comprehensive when considered against the turnover and what would be expected in other sectors. Members thanked the finance team for their work and noted the timeline for the finalisation and submission.

Item 13.3 - Resolved: The committee resolved to recommend the financial statements for 2024/2025 for are approved by the Corporation.

Task: Remove the duplicated word ahead of presentation to the Audit Committee and Corporation.

13.4 - DfE Financial Health Confirmation and Dashboard

A copy of the latest DfE letter confirming the financial health was provided. Members were reminded that governors can access the interactive dashboard for more detailed insights. The discussion acknowledged the importance of monitoring financial health and using the dashboard for ongoing review.

Item 13.4 - Noted: The committee acknowledged and noted the dashboard.

13.5 - Review of the Financial Viability of the Approved Pay Award

The Vice Principal Finance provided an overview of the pay award process to date, confirming that following the review and recommendation of the Committee, the most affordable offer was presented to the Unions. Members were informed that this had been accepted, and subsequently reviewed and approved by the Corporation, subject to a positive outcome from the Union Ballot and a final review of the viability by the Resources Committee.

The Principal provided the Committee with detailed information regarding the Union acceptance, ballot outcomes and subsequent communication of the proposed offer to staff. Members were advised that the paper included for review, was the information tabled at the Corporation meeting, evidencing the financial viability of an award, with the recommendation being for implementation in December. Members clarified that the assumption included backdating of the award to 1st August, subject to the Committee being satisfied with its affordability.

The Committee reviewed the details of the final offer, discussing the benefits of closing the gap in teacher pay. Members reviewed the financial implications, with the Vice Principal Finance advising financial health remained good, however, the EBITDA reduced by 10 points when the figures were input the financial model (CFFR). Members were assured that the award could proceed without negatively impacting the long-term financial stability of the college. Members indicated the Senior Post Holder (SPH) pay award had not yet been agreed, asking if this had the potential to impact financial health, with it explained the modelling assumed all staff, including SPH would be given the same award.

Members discussed the approach of the Unions and the ballot outcomes, noting the need for careful contextualised communication relating to the differentiated award following the collective agreement. Members considered at length the ballot action proposed in other institutions, being advised this had been largely related to workload. Members were assured workload had not been a cause for concern or noted as an issue by the Unions at SEG, with ongoing proactive initiatives to ensure this continues to be well managed.

The committee discussed the strategic importance of the pay award and its impact on staff morale and retention. The affordability aspect was thoroughly reviewed, and it was confirmed that the pay award could be implemented in December, including backdated pay to 1st August 2025. The committee members expressed satisfaction with the outcome and acknowledged the positive impact on staff, thanking all involved for their work in achieving a swift resolution.

Item 13.4 - Resolved: The committee resolved to endorse the affordability and implement the pay award in December, including backdated pay to 1st August.

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14 - Meeting Reflection

14.1 - Risk Update

The Vice Principal Finance confirmed that the paper highlighted extracts from the risk register related to the Resources Committee. The committee reflected on whether the reviewed data led to any recommended changes to the rating, wording, or mitigations.

The committee reflected on the meeting, particularly the risks relating to IT. It was noted that IT risks could be linked to estate-related costs and budgeting provisions. Members considered the benefits of embedding IT risks into estate-related risks, noting that the financial impacts would not be material enough to increase the risk rating. Members considered whether this accurately and effectively captured the risks discussed. Whilst acknowledging that it could be embedded into estates, it was proposed the timeframes were incompatible, with estates managed by a long-term strategy, and progress and developments in IT, and particularly cyber security and AI moving at a faster pace.

Following further discussion on whether to separate or combine these risks, considering the different time scales and impact on the organisation, it was agreed that while IT risks have shorter time scales, estate risks are more significant in terms of operational impact, therefore the committee decided to keep the risks separate to avoid diluting their importance and ensure clear focus on each area.

The reflection highlighted the importance of maintaining a manageable risk register and regularly reviewing and updating risks based on current circumstances.

Item 14.1 - Resolved: The committee resolved to keep IT and estate risks separate to avoid diluting their importance and ensure clear focus on each area.

Task: Vice Principal Finance to ensure both risks are adequately covered and rated at the next risk review.

14.2 - Items To Be Reported To The Corporation

The committee agreed on the items to be reported to the Corporation at its meeting on 16 December 2025. The discussion included a review of the key points and decisions made during the meeting.

The committee agreed to present the financial statements via the audit committee and the HR policies for Corporation approval. Additionally, the pay award approval would be ratified and communicated to the Corporation, confirming the pay award had been approved and implemented. Members agreed they should advise the Corporation of the request for the IT strategy to be rewritten; however, confirmed the paper did not need to be included for Corporation review.

Item 14.2 - Resolved: The committee resolved to present HR policies and the financial statements to the Corporation for approval and advise of their discussions in relation to the IT strategy.

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15 - DATE OF NEXT MEETING AND CLOSE

The next meeting was confirmed for Tuesday, 27th January 2026 at 5.00 pm. The meeting closed with expressions of gratitude and well wishes for the upcoming festive season.

The meeting closed at 7pm.