Minutes

SEG Resources Committee Meeting

Governor Meetings

Date	27/01/2026
Time	5:00 PM - 7:00 PM
Location	SC Boardroom

Governors (Committee Members) Present

Margaret Boneham (Independent Member and Committee Chair)
Michelle Brabner - Principal – (Ex-Officio Member)
Colin Davies (Independent Member)
*Rob Firth (Associate Member)
Mike Naden (Independent Member)
Paul Walker (Independent Member - Corporation Chair)

In Attendance

Laura Bell (Audit Committee Member) (up to and incl. item 3)
Paris Bonwick (Vice Principal - Business Services)
Andy Bridson (Audit Committee Member) (up to and incl. item 3)
Lisa Farnhill (Dir. Governance and Compliance)
*Diane Hutchinson (Audit Committee Member/HR Link Governor) (up to and incl. item 10)
Mo Kundi (Audit Committee Member) (up to and incl. item 3)
Alison McDowell (Vice Principal People and Culture)
Shaun Hindle (Assistant Principal Apprenticeships and External Relations) (up to and incl. item 9)
Stephen Musa (Deputy Principal)
Paula Smith (Vice Principal Finance)
Ruth Start (Head of Marketing) (up to and incl. item 3)

Apologies Claire Moffat-Lonsdale (Independent Member)

Absent None

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1 - Welcome & Apologies for Absence

The meeting commenced with a welcome from the Chair, and introductions for the benefit of new attendees. Apologies for absence were accepted, and reasons for online attendance were noted.
The Chair highlighted the slight change in the normal order of business to ensure staff and members of other Committees were only kept as long as necessary.

Item 1 – Accepted

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2 - Declaration of Interests

The Chair asked if any declarations of interest needed to be made in relation to items on the agenda. None were made.

Item 2 – Noted

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3 - Enrolment Update & Progress Report

The Committee and attendees noted that Audit Committee members had been invited to attend following discussions around the increased risk rating relating to enrolment. Members were advised that all previous marketing reports and minute extracts had been circulated to Audit Committee members along with the latest report, clarifying to staff that there was no need to present anything other than the current position and reassurances as they would normally provide to the Resources Committee.

Those present received a comprehensive update on current enrolment figures, application trends, and the impact of the new Applica platform. Members noted that application numbers were slightly down compared to the previous year, contextualising this against last year's high application numbers, noting the previous year's higher applications did not fully convert to enrolments, resulting in comparable actual enrolments to 2023/24. Members were informed the predicted enrolment for 2026/2027 is 1,906 learners, confirming that had been lowered to take account of a smaller Year 1 cohort available for progression into Year 2.

Members asked about marketing analysis and any weaknesses identified, with the Committee assured by work done to identify the gap in parental communications, addressed by Applica. Members were informed the Applica platform was implemented to streamline the student experience from application to enrolment, including enhanced communication with parents, which was not previously possible. Members discussed the increase in parental involvement in the application process, prevalent since the pandemic, noted across the sector with members asking if it was expected to continue. Members were given details of positive feedback to date from users and staff, with improved application management, noting a positive impact on application management for partner high schools. In response to questions, the Committee was assured that the college monitors competitor colleges' use of platforms like Applica and reviews their own admissions thresholds in response to market conditions, ensuring they remain competitive while maintaining quality. In response to questions about market research ahead of implementation, members were provided with details of other known users in the sector, with them having been approached to share their experience ahead of implementation, as well as staff having used this as parents, and bringing this to the attention of the College, having been impressed with the ease of use.

Members discussed at length the range of issues identified by the analysis of marketing and enrolment data, including quality concerns, impact of Ofsted, transport links, reputation of the town, and perceptions of risk following the incident in 2024. Staff provided detailed assurances of the range of approaches to overcome barriers, with these commended by members, noting that the extensive analysis by staff had identified a range of reasons, not a single identifiable issue resulting in reduced enrolment. Consideration was given to the barriers relating to travel costs, with willingness to travel discussed at length. The Committee endorsed the approach to support more students by increasing the threshold for bursaries, commending the SLT for lobbying the mayoral authority to try to gain parity for students in LCR, to provide similar low-cost travel passes as those available to students in Manchester.

Marketing strategies were outlined and considered at length, including more direct engagement with schools and a forthcoming parental newsletter aimed at applicants' families to maintain engagement throughout the application process. The use of social media and targeted campaigns were outlined, with members asking if the college analysed effective use of the marketing budget, including auditing social media and website activity. The Committee commended the approach to targeted and cost-effective social media campaigns, however, were advised that website analytics were not available from the current provider of the website. Members noted a cost benefit analysis for replacing the website was underway.

Members asked about the College's approach to curriculum development and response to course demand, being advised feedback from school liaison activities and careers advisors has led to the introduction of new courses such as Economics A Level and Maths with Statistics, drama, and dance, responding directly to student and school demand. Members were advised direct student requests were triangulated with school data, reviewing uptake at GCSE, highlighting the value of the close working relationship with local schools. Members enquired about adult courses and subjects considered to be in demand in HE, including AI and computer studies with maths, noting limited demand at FE level. The Committee was assured that the College responds to emerging course demands and developments, including the integration of artificial intelligence into the curriculum, based on feedback from students, schools, and employers. Members noted AI is embedded within the T Level Digital course and other relevant programmes, following limited demand for standalone courses, with the college advising students interested in AI to pursue the digital T Level.

Members were informed of an issue relating to lower-than-expected applications from one school, which had been a result of negative perceptions being circulated by a member of school staff, which had been addressed through direct engagement with students and parents and communication with the Southport Learning Trust.

Members asked about the prudent approach to setting of conversion rates from Level 1 to Level 2 this year, being advised this had been set based on a three-year trends, to avoid overestimating. In response to questions, members noted that the college tracks reasons for non-continuation from students, using destination data and feedback from the careers team to ensure accurate analysis. Members confirmed reasons were also established for external applicants accepting but not taking up a place. The Committee was advised that lower than expected enrolment had been offset with reduced attrition rates within the first 42 days, now below the national average.

The risk linked to recruitment was further considered at length, noting the context and rationale behind the risk rating increase. Members noted this was as a result of the unexpected decline in enrolment, after higher applications, and not as a result of the impact, which was managed through lagged funding and acknowledgement of the exponential growth of student numbers, and financial gains from this in recent years. Members of the audit committee indicated their conclusion was that the approach to the risk assessment was prudent, linked to the College's ambitions for growth and achievement of the financial target. They determined that the impact of the materialisation of the risk was well controlled and that the assurances provided relating to a further decline in enrolment were thorough, particularly regarding marketing, financial management, and carefully considered assumptions. They expressed gratitude to the staff for their detailed assurances and to the Resources Committee for including them in the discussion. They clarified that they had acted in response to the increased risk rating and sought confirmation that the issue was being addressed promptly, which was satisfactorily provided through their attendance. Members acknowledged the increasing complexity of recruitment and retention in the current landscape, being assured that staff were responding innovatively and appropriately.

Item 3 – Resolved: The Committee resolved to note the assurances of the report and presentation.
The Audit Committee confirmed they were satisfied that risks are well managed with effective mitigations in place. Members agreed enrolment-related risks will remain on the risk register but may be reprioritised after reviewing existing mitigation measures.

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4 - Minutes

The minutes of the previous meeting held on 20th November 2024 were reviewed. Members noted that any corrections relating to spelling errors had been addressed, and the minutes were praised for their quality, and subsequently approved.

Item 4 – approved: The Committee resolved to approve the minutes as an accurate reflection of the meeting held on 20th November 2025.

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5 - Review of Impact Statements, Actions and Matters Arising

The Committee received updates on actions undertaken since the last meeting. The Vice Principal Business Services was invited to provide a verbal update on the redevelopment of the IT strategy, with the Committee noting a number of meetings had been held, with progress made on embedding curriculum needs into the strategy, and a review of the approach to the refresh plan based on supplier recommendations. The Committee was informed a draft of the strategy is expected to be ready for review by the next Resources Committee meeting in March.

The Dir. Governance and Compliance summarised all other actions, confirming the CPD report will include additional details from surveys where declines are noted, with a calendar note added to remind the author when the report is next due. Members noted the updated financial forecasts would be reviewed under item 13 and the stress policy was scheduled for completion by Easter. Members were informed the creditor report from the internal auditors remains outstanding, with this due to the college pushing back against inaccuracies and some recommendations.

Members were asked to reflect under the estates item whether the follow up action in relation to the estates paper was considered complete, which had included embedding risks and statutory compliance, and to confirm if the amendments made to the content and format met with their expectations.

Item 5 – approved: The Committee noted the assurances provided by the follow up actions and resolved to approve the impact statements as an accurate reflection of the questions and comments from the meeting held on 20th November 2025.

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6 - Confidential Business

The Committee confirmed that no items from the reviewed minutes needed to be redacted from the public copy.

Members concluded that no topics required review without staff present. Members did however suggest that careful thought should be given to how much detail is documented regarding marketing and enrolment, to prevent sensitive information from reaching competitors.

Item 6 – resolved: The Committee resolved to publish in full the minutes of the meeting held on 20th November 2025.

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7 - KPI Scorecard

The latest KPI Scorecard was received for information. It was noted that the scorecard was not colour-coded, with HR and Finance papers primarily referenced in the scorecard, both to be considered at as full agenda items.

Item 7 – noted: The Committee noted the update

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8 - Risk Movements

The Committee reviewed changes to the risk register, noting that the risk register had been reviewed by the Senior Leadership Team on 27th January. Members were informed the national living wage risk had been removed, and the Ofsted risk had been updated to reflect inspection risks as opposed to monitoring visits, with the IT risk added following the recommendation of the Committee.

The Committee discussed at length the process of risk assessment and the importance of managing risks effectively, clarifying the process for reviewing controlled and operational risks. Members asked about the process for ensuring risk appetite, tolerance, control measures and external factors actively influenced the risk rating and risk review process, with assurances given in relation to the risk review cycle.

The importance of managing key operational risks to prevent excessive accumulation that could disrupt core activities was acknowledged. Members proposed annexing static risks and those managed within established tolerance levels. Members suggested the categorisation of risks according to their impact and mitigation strategies, proposing that risks below a specified threshold may be monitored operationally rather than included in the strategic risk register. The Committee concluded there was a need to maintain a balanced approach, prioritising at Board level the risks with the potential to significantly affect business continuity. The Vice Principal Finance informed the Committee that an internal audit review is currently underway, therefore it was agreed, no changes to the process or number of risks would be implemented until the findings and recommendations of the review have been fully considered.

Item 8 – resolved: The Committee resolved to note the assurances provided by the risk management process, agreeing to reconsider the approach to oversight of static and low-level risks after the internal audit review is concluded and recommendations considered by the Audit Committee.

Action: Consider the number of strategic risks and how static and low risks can be operationally managed and fed into the strategic risk register.

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9 - Employer Engagement Strategy Update

The Assistant Principal Apprenticeships and External Relationships summarised the employer engagement strategy update, outlining the progress against key performance indicators (KPIs) set within the strategy. The Committee noted improvement in apprenticeship enrolments, with this underpinned by quality control and additional support measures for employers and apprentices.

Members were informed of initiatives and technology to support and drive forwards improvements, including quarterly monitoring and sales meetings involving members of the Senior Leadership Team. An outline of upcoming engagement events, including apprenticeship week, were highlighted, with various activities planned to strengthen employer relationships. Members noted the positive feedback from employers visited during the Christmas period, with the top 100 employers visited and thanked for their support.

The Committee discussed the implementation of the Smart Finder system, being advised this was an AI tool that targets businesses within a specific radius of the college campus. Members were informed that the system enhances the college's ability to approach potential employers effectively. The notable growth in the hospitality industry was highlighted, with members asking about the diversity of employers, acknowledging the increased work needed to manage the smaller business contracts. The Committee commended staff for their work, discussing the number of employers now engaged in working with the College, considering the challenges associated with working with smaller employers who require more support than larger organisations that have dedicated staff to manage administration, training and apprentices.

The Committee also addressed the issue of apprentices withdrawing from programmes, asking how this was monitored and overseen, ensuring data was analysed for trends and potential process and support improvements. Members noted health reasons and organisational restructuring as common causes. Efforts to support these individuals and track their progress were emphasised, with the impact mitigated through the close monitoring and early withdrawals. It was confirmed that they could restart at a later date.

The discussion concluded with the Committee requesting more extensive analysis of long-term apprenticeship recruitment trends. Members were reminded that, due to an overhaul of the apprenticeship offer, data beyond the past year may not be directly comparable. Members were assured by the increase, which was supported by quality measures to ensure a positive experience for the apprentices and employers, and improved outcomes. The Committee conveyed optimism regarding the recovery phase and highlighted the positive effects on the College's reputation, as well as financial outcomes and headcount targets.

Item 9 – resolved: The Committee resolved to note the assurances provided by the performance against KPI's.

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10 - Termly HR Update

The Vice Principal People and Culture summarised the HR update, drawing attention to data around sickness absence, staff turnover, and the analysis of the staff survey results. The Committee noted an increase in sickness absence compared to the previous year, with long-term sickness being more notable. Members were assured by the analysis which included additional benchmarking data from other colleges and internal trend data, with caution advised when interpreting benchmarking figures, due to potential differences in calculation methods.

The Committee discussed the impact of work-related stress on long-term sickness absence and the importance of early conversations with staff to address issues before they escalate. Efforts to support staff and encourage feedback through various channels were highlighted.

Staff turnover was reported to have decreased compared to the same point last year, which was seen as encouraging. Benchmarking figures were again treated with caution due to the lack of direct comparability.

The staff survey results were discussed at length, with members informed that focus groups were underway with every college area, undertaken by the Principal, and focusing on the five key themes identified from the responses. The rationale behind the Principal-led approach was outlined, noting positive feedback from staff and actionable suggestions being generated. Members commended the approach to actioning the feedback, with an action tracker created to ensure implementation and communication of actions, with effective staff communication.

The Committee emphasised the importance of explaining the rationale behind decisions to staff, noting that clear communication can help address concerns and improve engagement. Members were advised of the careful positioning of the focus groups, being seen as valuable in fostering trust and encouraging open dialogue. Members supported the decision taken to ensure all focus groups are completed before taking action to ensure feedback from later groups did not contradict earlier ones, with key themes action, and areas that cannot be actioned, with reasons, communicated through the fortnightly newsletter.

Item 10 – resolved: The Committee resolved to note the assurances provided by the performance against HR KPI's and commended the focus group work.

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11 - Estates Matters

The Vice Principal Business Services provided an update on a range of college estates matters. Members were informed the demolition of the Fern building had been completed, with grass being laid and further updates to the area planned, to ensure the area continued to commemorate the former employee the building had been named after. Action to address unfounded rumours relating to non-communication of the demolition to the family were outlined. The Committee discussed the historical significance of the Fern building and the communications with the family which had concluded in advance of its demolition, as previously reported to the Committee. Plans to replace the plaque and install seats in the area to maintain a peaceful area for reflection as a continual memorial were outlined.

Members were informed that the work on the Bridge project in the West Wing was nearing completion, with only minor works remaining.

Members were assured that maintenance issues, including leaks and redundant air conditioning units, were addressed, and planned improvements such as replacing single glazed panels were discussed. The Committee was informed about structural investigations in the TL building scheduled for the Easter term, with the extent of necessary repairs yet to be determined.

The cleaning contract with Churchill's was reviewed, with the Committee being invited to participate in the procurement process. Members were advised of the proposed timeline, with the contract expected to be presented for approval in March, with a potential Written Resolution required from the Corporation.

REDACTED

Members were asked to confirm the updated report format met with their needs, with the Dir. Governance and Compliance confirming that action would be considered closed.

Item 11 – resolved: The Committee resolved to note the assurances provided by the update.

Action: Members to be invited to participate in the cleaning contract tender.

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12 - Internal Audit Reports Relevant to Resources

The Committee received updates on internal audit reports relevant to the Committee's Terms of Reference. Members noted they had already been provided with a draft of the estates report, with this now finalised and presented for information only, along with the comments and minute extracts following the review by the Audit Committee. The Vice Principal Business Services outlined actions already taken to address the recommendations.

The review of creditors' payments was discussed, noting the draft report had been challenged due to inaccuracies, with the Committee advised that at the draft stage, the internal auditors gave limited assurance. The Committee discussed concerns over the priority one (high-risk) finding related to failing to follow due process when setting up a creditor. Members were informed this was linked to the transition to a new system. Members clarified that the creditor had been recently added to the system, however, had been an existing creditor on the previous finance system, with assurances that processes and checks were completed for all new creditors, which had been evidenced. Members noted that discussions with the auditors were ongoing to address the issue, with the report to be circulated once finalised.

Item 12 – resolved: The Committee resolved to note the update.

Action: The review of Creditor Payments to be shared when finalised.

13 - Financial Reports

13.1 - Investment Policy & Performance, including Treasury Management

The Committee reviewed the performance of the college's investments and discussed updates to the Investment Policy. The updated policy aims were outlined, with members noting the policy intended to optimise returns while ensuring liquidity and minimising risk through effective cash management. The Committee asked about access and penalties, noting the benefit of using a range of notice, access, and long-term options. Members were informed this had ensured returns were maximised whilst strict cash flow oversight ensured sufficient cash is always accessible to meet the colleges financial commitments. The Committee agreed to recommend the updated Investment Policy to the Corporation for approval.

Item 13.1 – resolved: The Committee resolved to recommend the Investment Policy to the Corporation for approval.

13.2 - Management Accounts

The management accounts for November and December 2025 were included for approval, with the November position noted, and the December position discussed at length.

The Committee reviewed the updated presentation of the financial performance, noting a positive year to date operating position, with the accounts showing a favourable operating surplus of £113,000, confirming this was £25,000 better than the forecast. Members were advised that pay costs and income were favourable, however, non-pay costs were adverse due to premises expenses. The Committee noted this related to specific projects, with this being ahead of profile, to be adjusted in the January management accounts.

Attention was drawn to depreciation, noting this was slightly ahead of forecast but offset by deferred capital grants, with interest payable £4000 behind budget. Members were advised that pension costs were accrued to budget, awaiting final figures which would not be available until year-end.

In response to member questions, it was confirmed that the approved pay award had been incorporated into the update and reflected in the updated EBITDA, which had declined. Members were reminded the income to staff pay ratio was no longer a trigger for intervention, however, was maintained as an actively managed target. In considering the overall decline in the EBITDA, members reflected on the position five years ago, and the significant improvements to the colleges financial health over that period of time. Whilst acknowledging there was a decline, members reflected on this being as a result of a strategic and intentional decision aligned to the commitment to staff and quality, with financial health remaining good.

Members considered at length the financial health metrics, noting a slight decline in the solvency ratio from the original budget, with it highlighted that it remained within acceptable tolerance levels, with the points remaining at 100. Members queried whether this needed to be highlighted as a decline, when the points were not affected. With the advice of the Dir. Governance and Compliance sought on effective practice, it was agreed that for transparency, any decline, even if not material to the financial health score, should be highlighted as a decline, to ensure members attention was drawn to any potential issues. Questions were raised about the process for amending papers after circulation, with it clarified how it would be recorded and filed to maintain an audit trail and link between the in-meeting discussions and file copy of papers. Members explained that their focus on this matter stemmed from the significance of the term ‘solvency’ in relation to their roles as governors. They recommended that future reports distinguish between the two-solvency metrics to enhance clarity and transparency.

Item 13.2 - approved: The management accounts for November and December 2025 were approved.

Action: Consider having two lines to highlight the two metrics for solvency on the management accounts executive summary.

13.3 - Financial Forecasts.

The Committee reviewed the updated financial forecasts following the mid-year review. Key movements were outlined and summarised by the Vice Principal Finance, which included a prudent increase in the staff pay budget due to the approved staff pay award, as well as accounting for new starters, agency spend, variable hours and an element of contingency. Members were advised the issue discussed under marketing, relating to bursary and travel expenditure had been incorporated into the budget, with an increase of £100,000 added to ensure disadvantaged learners were not inadvertently impacted by the previously reduced thresholds.

The Committee acknowledged the thorough approach used in forecasting, observing a consistent trend toward caution to ensure outcomes stayed within expected limits. They noted that the Vice Principal’s practice of presenting a ‘worst-case scenario,’ along with closely tracked budget lines, led to better-than-expected results and strengthened confidence in the budgeting and oversight processes.

The item concluded with the Committee discussing at length the benefits and drawbacks of maintaining the DfE loan. Members endorsed a strategic decision to maintain the loan rather than repay it early, considering the flexibility it offers for future projects, clarifying that there were no covenants or restrictions on its use, with interest and payments discussed.

The Committee agreed that the financial forecast update does not require secondary approval from the Corporation, as the material changes related to staff pay, which had already been approved by the Board.

Item 13.3 - approved: The updated financial forecasts were approved by the Committee, to be presented as essential information to the Corporation.

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14 - Meeting Reflection

14.1 - Risk Review and Reflection

The Committee reviewed the full list of risks relevant to the Committee and considered if any information presented and discussed warranted updates to the risk register. Members reflected on earlier discussions relating to the importance of keeping the risk register aligned with the strategic goals and operational realities.

The Committee concluded that no changes were necessary at this time, however, the SLT confirmed they were open to reconsidering the format and number of risks, dependent on the feedback from the internal audit service.

Item 14.1 - noted: The Committee noted the detail of risks aligned to the Committee.

14.2 - Items to be reported to the Corporation:

The Committee reviewed the decisions made and agreed on the items to be presented to the Corporation for information and approval. These included the updated Investment Policy and the updates to the Terms of Reference for approval, and the financial forecast update for information. The Committee discussed the logical reorganisation of the Terms of Reference to improve clarity and ensure alignment with the scheme of delegation, with approval for full transparency due to a significant change in how they are presented.

Item 14.2 - approved: The Committee agreed to present the Investment Policy and the updates to the Terms of Reference for Corporation approval, and the financial forecast update to be presented as essential information.

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15 - Date of Next Meeting and Closing Comments

The Committee confirmed the date of the next meeting as 10th March 2026. The Chair thanked everyone for their engagement and contributions, highlighting the clarity and organisation of the reports provided by the staff. The meeting concluded with positive reflections on the collaborative efforts and the quality of the discussions.

Item 15 - noted:
