

# Minutes

## SEG Resources Committee Meeting

### Governor Meetings

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| <b>Date</b>              | 16/06/2026                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Time</b>              | 5:00 PM - 7:00 PM                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Location</b>          | Southport College Boardroom with access also provided via Microsoft Teams                                                                                                                                                                                                                                                                                                                                                               |
| <b>Governors Present</b> | Margaret Boneham (Independent Member and Committee Chair)<br>Michelle Brabner - Principal – (Ex-Officio Member)<br>*Claire Moffat-Lonsdale (Independent Member)<br>Mike Naden (Independent Member)<br>Paul Walker (Independent Member - Corporation Chair)                                                                                                                                                                              |
| <b>In Attendance</b>     | Paris Bonwick (Vice Principal - Business Services)<br>Lisa Farnhill (Dir. Governance and Compliance)<br>Ben Helm (Independent Governor)<br>Shaun Hindle (Assistant Principal Apprenticeships and External Relations)<br>*Diane Hutchinson (Independent Governor and HR Link) (up to and incl. item 8)<br>Alison McDowell (Vice Principal People and Culture)<br>Stephen Musa (Deputy Principal)<br>Paula Smith (Vice Principal Finance) |
| <b>Apologies</b>         | Colin Davies (Independent Member)<br>Rob Firth (Associate Member)                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Absent</b>            | None                                                                                                                                                                                                                                                                                                                                                                                                                                    |

**\*indicates attendance via Microsoft Teams**

### Agenda

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#### 1 - Welcome and Apologies for Absence

The Chair opened the meeting welcoming Ben Helm, who attended as an observer and newly appointed governor, with brief introductions provided.

Apologies were provided and accepted for those unable to attend and it was confirmed that members joining remotely could hear and be heard.

**Item 1 – Accepted:** The Committee accepted the apologies of those unable to attend.

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#### 2 - Declaration of Interests

Standing interests were noted, including the Dir. Governance and Compliance as DPO.

Members confirmed that there were no interests relevant to any item on the current agenda.

**Item 2 – Noted**

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#### 3 - Minutes Approval and Matters Arising

The minutes of the meeting held on 10<sup>th</sup> March 2026, were reviewed and accepted as an accurate record. The Committee also noted that the sections highlighted in yellow were recommended redactions.

**Item 3 - Approved:** Minutes of the Committee meeting held on 10<sup>th</sup> March 2026 were approved.

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#### 4 - Impact and Actions from Previous Meetings

The Committee noted that most action points had either been completed or were to be addressed through reports incorporated as agenda items.

**REDACTED**

**Item 4 - Approved:** The Committee approved the impact and actions **REDACTED**

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#### 5 - Confidential Business

The Committee did not identify any agenda item that needed to be taken without staff present. Members did, however, note that commercially sensitive details, as highlighted within the circulated minutes, should be redacted.

**Item 5 – Approved:** The Committee agreed that no separate confidential business was identified for this meeting, agreeing to redact the commercially sensitive information from the minutes.

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#### 6 - KPI Scorecard Overview

The Committee noted that the KPI matters relevant to the meeting were embedded within the later management accounts, HR papers, and associated reports, so no separate discussion was taken under this standing overview item.

**Item 6 – Noted.**

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#### 7 - Risks Movements Relevant to the Committee

The Vice Principal Finance summarised details of risk movements related to the Resources Committee, advising there had been two movements agreed during the April risk review. Members noted that the first change was a reduction in the risk rating related to the preparation and implementation of government policies and guidance. Members were informed the risk was reduced from a medium net score of 12 to a low net score of 4, reflecting the view that over the last three years, the risk had been on the register with no evidence of overlooked matters significant enough to justify the earlier rating.

The second movement related to ineffective financial management leading to instability. This was reduced from a medium net score of 9 to a low net score of 6. The rationale given was the college's sustained pattern of good financial health over the last two to three years, together with forward forecasts that indicate continued stability, with internal audits having identified no areas of weakness.

**Item 7 - Resolved:** The Committee resolved to note the update, endorsing the reduction in the risk scores as presented.

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#### 8 – Termly HR Update

The Vice Principal People And Culture summarised the HR update, advising the Committee of a mixed but largely positive picture. The Committee noted year-to-date sickness absence was slightly above the same point last year due to higher long-term absence, while short-term absence had reduced. Staff turnover had improved by 2.2 percentage points and remained on course to finish below last year's level unless an unexpectedly high number of leavers resign before 31st July, with members noting this was unlikely.

A summary of staffing reviews in two curriculum areas affecting three staff were outlined, with assurances provided over the supportive and sensitive approach taken. Members were given an outline of progress to date, including options for voluntary redundancy, alongside efforts to identify alternative employment and reduce the likelihood of compulsory exits. The HR Link Governor confirmed that she had reviewed the paper in advance with

the Vice Principal People and Culture and was satisfied with both the approach taken and the explanations provided, particularly in relation to redundancy and sickness absence.

Members discussed the staff turnover statistics, considering whether raw turnover figures can obscure the difference between healthy movement and problematic departures, reflecting on issues in the sector. It was explained that the college uses turnover as a standard sector measure, however, does not rely on headline numbers alone, with the Committee assured that the underlying reasons for leaving are reviewed. Members asked if positive and negative turnover were considered separately, indicating retirement and progression where opportunities were not available internally, should not be considered as detrimental movements. Members reflected positively on the additional contextualised information, suggesting that the data reflected healthy levels of turnover, suggesting there had been high turnover, particularly where pay had been a factor, that would be of concern for the Committee. The Committee was reminded that turnover had previously become a point of challenge during inspection, despite long-standing performance below sector norms, and that ongoing monitoring had since evidenced an even stronger position.

The Committee was further assured of staff satisfaction through strong engagement in the OSCAS initiative, where staff nominate others for awards, with 231 nominations, as well as positive steps with broader staff feedback mechanisms. Members were informed that the focus groups with staff had been well received, and a staff survey launched the previous Thursday had already generated 67 responses. Members noted that the survey includes a question on whether staff would recommend the college as a place to work, which should help identify any emerging retention themes.

In concluding, the Committee was advised that the previous action points around policy work had also progressed, including the drafting of a new stress and mental wellbeing at work policy, updated family leave policies, issuing of dress-for-your-day guidance, and a new staff handbook.

**Item 8 – Resolved:** The Committee resolved to accept the assurance provided by the positive shifts in data and additional contextualised information.

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## 9 - Employer Engagement Strategy

The Assistant Principal Apprenticeships and External Relations set out progress against the employer engagement KPIs. Members were informed that apprenticeship starts were running at 113 against a KPI of 128, with a further 13 having fallen away for reasons outside the college's control. Members were advised that recruitment remained open for the current academic year, and a further 14 level 2 and level 3 health and social care starts were progressing, although progress had been delayed by the use of the levy transfer approval process with another employer and the combined authority.

Members were informed that recent feedback initiatives had generated useful information, particularly from hospitality and care-home employers, including a strong message around the need for training in fresh food preparation rather than reheating pre-prepared meals. Members noted how other externally run employer boards had been more productive than trying to convene local ones in every case, and participation through Liverpool City Region forums had helped the college understand changing skills needs. Members also noted stronger engagement from larger employers linked to developments in the town, including support for placements, apprenticeships, and progression into higher and degree apprenticeships.

Members discussed at length the improvements made to the quality of the apprenticeship provision. For the benefit of new members, the previous strategic review and refinement of apprenticeships was outlined. Members were reminded that the college had previously considered whether to withdraw from apprenticeships, highlighting low student numbers, with limited financial incentive, alongside a high administrative burden and risks relating to Ofsted. The Committee noted how despite the clear drawbacks and risks, the review had concluded that maintaining the offer was important for the town and local employers, supporting the Group's commitment to their local community and their needs.

Members asked about the potential outcome and likely Ofsted judgement following the progress made. The broader view from senior leaders, reflecting on the shift in inspection frameworks, was that, if current performance landed as expected, apprenticeships should move from a previously requires-improvement position to an expected standard. Members were informed this reflection was supported by stronger achievement, participation, development, and positive feedback from recent external review work.

The Assistant Principal Apprenticeships and External Relations reported that current achievement had improved from 58 percent at the time of an earlier report to 61.5 percent that morning, with the team still aiming for 67 percent and currently tracking above the 65 percent national rate. Members noted how high grades had also

improved, with 44 percent already secured. The Committee heard that the strategic priority was now controlled growth on stronger-performing standards rather than expanding into large volumes of new standards. Disappointment had been expressed over the withdrawal of two of the best-performing standards due to national reform, with the Committee assured that the College was working with employers to review replacement options tailored to employer need, including a level 3 customer service specialist route with team-leading content and a level 4 quality standard with leadership elements.

Members discussed future workforce needs, including the growing impact of artificial intelligence across workplaces and the expectation that AI awareness and capability will need to be embedded across delivery.

The Committee considered the financial implications of apprenticeship performance, noting the report's revenue figures, with it explained that achievement carries a direct financial incentive with around 20 percent of funding linked to completion. Members noted that although the recruitment target had not yet been met, financial performance was above both budget and mid-year forecast. Members asked about the potential scope for growth, reflecting on previous recruitment figures and noting the difficulty in drawing comparisons due to the refinement of the offer. Members noted that historic income had been about 1.1 to 1.2 million in 2022 to 2023, about 700,000 in the following year, and around 790,000 this year following a pause in delivery. The Committee considered the present position to be close to the right balance between quality and financial return.

In concluding, the Committee reviewed the strategy and agreed that, given its current fit and the embedded KPI framework, the existing employer engagement strategy should continue into the next year.

**Item 9 - Approved:** The Committee resolved to endorse the existing employer engagement strategy and associated KPI framework were for continuation into the next year.

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## 10 - Learner Support Funds Policies

The Committee reviewed the revised learner support funds policies, focusing primarily on the eligibility threshold. Members heard that the previous threshold had been reduced last year to £25,000 net household income, resulting in the college having the lowest threshold in the Liverpool City Region and potentially limiting access for learners. Following review, the threshold had been increased to £30,000 net, and the policy had also been reframed using a gross-income reference point of £38,500 to reflect how households commonly understand their income.

The financial implications were discussed in detail, with it explained that the change was considered affordable due to other elements of bursary support having been adjusted, including the removal of the weekly attendance allowance. Members were assured by the College's cautious approach to managing the Department for Education funding pot carefully to ensure fair access across the year. Members noted how travel remained a major cost pressure, with around £220,000 of college funding used to support travel passes. The Committee noted that allocations would continue to be monitored closely, with a review point after October to ensure resources remain sustainable.

**Item 10 - Approved:** The revised learner support funds policies, including the increased eligibility threshold, were recommended to Corporation for approval.

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## 11 - Marketing Strategy Update - Enrolment and Targets

The Committee received an update on applications and enrolment including expected conversion. Members were informed that applications were broadly in line with the same point last year, noting slight campus variations, with Southport College slightly ahead, and KGV marginally behind where it had been at the same point in the previous year. Members were informed that the largest school-level increase had come from Christ the King, rising from 82 applications last year to 144 this year, with members questioning the potential reasons for the increase. Across other partner schools, volumes were generally in line with or slightly above last year, although members acknowledged that school-level application timing can shift figures temporarily.

The Committee discussed the limits of application data as a predictor of final enrolment, noting how schools commonly encourage pupils to submit three college applications, which inflates early numbers and makes conversion rates difficult to accurately interpret. Members considered the application statistics, reflecting on how these were in line with the previous year, which had been an increase on the year prior, but did not result in increased enrolment, recognising that some applicants never intended to attend and may simply have been

following school process. In considering ways to ascertain more accurate indicators of intended enrolment, members were informed that the Applica system improves communication with parents and applicants and, where another provider also uses the system, can show how applicants rank their college choices.

Members discussed local market behaviour, demographics and course changes within the area. They were informed that the rise from Christ the King may reflect lagged effects from previous subject withdrawals there, as well as peer influence among pupils. Members noted the distinct competitive dynamics between Southport College and KGV, including local perceptions about academic and vocational routes. The Committee reflected positively on the introduction of a new A-level foundation programme from September, noting how this supported with the retention of applicants who previously had not met the KGV entry criteria, providing an alternate pathway to access KGV courses.

In reviewing the demographic context, members noted how student numbers in the local population are expected to remain broadly steady for the next few years after around 2 percent annual growth, before dipping later in the decade, reflecting on this as a contrast to more densely populated areas that would experience a significant drop in the coming years.

Members noted that internal progression and year 1 to year 2 continuation remained on target. In response to questions about the point at which predictions become more accurate, the Committee noted that the next conversion milestone would be Welcome Fest, when applicants attend as prospective students. Members were informed firmer enrolment projections are available after that point, however, not considered to be absolute until after the release of GCSE results.

**Item 11 - Noted:** The Committee noted the stabilisation of application numbers, noting conversion rates and actual enrolment were expected in line with the budget, reflecting similar patterns to 2025/2026 data, with the Applica software providing some additional data around intended enrolment choices.

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## 12 - IT Strategy Approval

The Vice Principal Business Services presented the revised IT strategy, confirming this incorporated Committee feedback from the previous meeting. Members noted that the document had been redrafted to align with the wider college strategy and to operate at a more strategic level rather than reading as an operational plan. Members were informed that its core aims were to provide a consistent learning environment, ensure reliable access and connectivity, support blended and digital learning, and protect learner data and identities.

The Committee welcomed the clearer structure and agreed that the revised version was more proportionate and more in keeping with approaches seen elsewhere. Members discussed affordability and refresh planning, with it explained that the current approach was based on maintaining and stabilising provision at the right level rather than pursuing a major step-change in digital infrastructure. Members were informed that the College had increased capital provision and was making greater use of leasing, particularly for laptops, where refresh pressure is high. Members heard that the network budget stood at £217,000, capital at £280,000, and that a significantly more ambitious full-refresh strategy would require around £690,000 in the next year alone.

A detailed challenge followed on asset lifespan, depreciation, and cyber resilience. Members questioned whether some devices were being bought at too low a specification to last their full depreciation cycle. In response, the Vice Principal Business Services outlined the balance between higher specification, affordability, leasing flexibility, and reassured the Committee that much of the curriculum does not require top-end equipment. The Committee reflected on the impact of external cost pressures, noting that these needed to be balanced against internal investment considerations, highlighting a 93 percent increase in Wi-Fi costs simply to maintain service.

In response to questions relating to cyber security, members were informed that this was treated as a separate and growing pressure area, with support from Jisc and increased use of cloud services forming a key part of the mitigation strategy and resilience planning.

In concluding, the Committee welcomed the revised approach and approved the IT strategy, asking for future papers to show the indicative cost of the chosen strategy more explicitly so that the financial implications are clearer alongside the strategic direction, with costings for any potential options also to be outlined.

**Item 12 - Approved:** The revised IT strategy was approved.

**Task:** Ensure reporting against the strategy includes the setting out of the indicative cost of the current IT strategy against a higher-investment alternative approach to investing in the area.

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### 13 - Internal Audit Service Reports

The Committee was advised that two internal audit reports relevant to Resources were included for information and assurance. The first covered risk management including mitigating controls and reviewed the significant risks recorded on the college risk register. The Committee was informed that four recommendations were identified: strengthening the risk management policy, defining a dedicated risk manager and risk owners, enhancing the register to include mitigation action plans for significant risks, and improving the accessibility of supporting evidence. The recommendations had been accepted, with implementation of the recommendations by December 2026, with the overall assurance level being 'reasonable'.

Members noted the second report was the review of treasury management, with the report now finalised. The Vice Principal Finance summarised the findings, confirming it had reviewed the controls over investment and borrowing arrangements, compliance with policy, banking arrangements, reconciliations, and reporting lines. The recommendations were minor and largely operational, including alignment of ledger codes and awareness of the CIPFA treasury management guidance, which had been accepted. The overall opinion was 'substantial assurance'.

Members asked about the quality of auditor interactions and whether the reviews had felt fair and competent. The response was that the findings were proportionate and reflected normal audit practice, however, there had been some misalignment between verbal feedback and final report wording. Following discussion, it was acknowledged that variation between verbal feedback and the final report is a common audit experience, due to the quality assurance and review process, and not considered to be an issue to be addressed. The Committee did however suggest that it should be monitored, with any significant variations challenged. The Committee concluded they were satisfied that the work had been carried out appropriately and that the recommendations were reasonable.

**Item 13 - Noted:** The Committee noted the assurances provided by the findings of the internal service from their reviews of risk management and treasury management.

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### 14 - Estates Resources and Sustainability

The Vice Principal Business Services summarised the estates update, highlighting how this covered a wide range of operational and strategic matters. Members noted that the Fearn building demolition work was complete and that major phase-one work at The Bridge had also been completed. At the KGV playing fields and pavilion, progress with Southport Football Club was continuing despite staffing changes on the club side. In response to questions around impact and implications, the Vice Principal Business Services confirmed that communication was described as more challenging than before, however, the relationship remained workable, and the first team was expected to begin using the field from 29<sup>th</sup> June. Members were advised that this was delayed due to a machinery issue, however, this was now resolved and the pitches were now close to being brought back into active use. Members discussed the contract, potential risks and future plans, concluding the current use was the most beneficial to all parties.

The Vice Principal Business Services outlined general and larger estates projects, advising that there had been 534 maintenance tickets since the last report, reassuring the Committee that the increase was welcome, reflecting a stronger reporting culture for even minor defects. He then outlined substantial summer project work, indicating the increase in activity was expected at this point in the year due to the lower occupancy of the sites.

In discussing overall condition and the biggest risks in terms of cost implications and health and safety, the Committee heard that pitched roofs were in an acceptable condition, which was important given the cost implications of major failure. However, members were advised of concern that remained in relation to the single-skin flat roofs, some of which required patching and some fuller repair. The Committee was informed that tenders were under way for temporary repairs for a section at KGV.

The Committee then considered the grant announcement, and the outcome of the recent Department for Education condition survey across both sites. The Committee noted the strong dissatisfaction with the quality of the survey, noting basic factual errors on building age, layout, and floor count. Some clearly incorrect points had

been amended after challenge, however, the wider report would not be changed without further specialist surveys carried out within six months. Members asked about the implications, noting that it was significant due to future rounds of condition funding being allocated using survey outcomes rather than student numbers. Members discussed whether commissioning another independent survey would improve the college's position, however, were informed that a previous condition survey and a 2024 update were already in use internally and would not now be accepted for this purpose, with it now being too late to initiate and influence current funding announcements.

Members then reviewed capital funding and forward planning in detail. Members noted that the current FE capital allocation of £858,000 had already seen £549,000 spent, with £64,000 committed and a further £224,000 expected to be used by the end of summer. A new allocation of £923,000 had been awarded, which would be paid in April 2027, representing an 8 percent increase linked to student numbers. In response to questions around the prioritisation of spending, the Committee was advised of a number of surveys resulting in an expected commitment of £429,000, which addressed a combination of essential maintenance works, including boilers, asbestos, gas and plumbing matters, as well as improvements that would positively impact student experience. Members were informed that the team were not under pressure to commit the whole amount immediately due to there being a two-financial-year delivery window.

Members were updated on more visible student-facing investment which included replacing flooring along the walkway and through the Oasis, with new furniture to create a brighter and fresher student environment, relandscaping of the quad, with new seating already procured. The Committee supported the balance being struck between essential infrastructure and improvements that visibly enhance the student experience.

Commercial and contract matters were then considered. In relation to the Southport Football Club arrangement, the Vice Principal Business Services confirmed that the college does not currently bear the maintenance cost of the pitch and is benefiting from pavilion improvements under a three-year service-level arrangement. In response to questions about risks and future use, the Committee was advised that the principal financial exposure, if the arrangement were to end, would be the future maintenance decision on the pitches, rather than any contractual liability.

The Committee heard that the cleaning contract tender process, as attended and supported by the Committee Chair, had resulted in a recommendation for the reappointment of Churchill Services Ltd. Members noted how the new arrangement was expected to save about £45,000 over three years through reduced cleaning hours, with roughly £15,000 in year one and further savings thereafter. Members were reassured that service performance had been strong and that the staff were well embedded. Members were advised of the timeframe for approval, agreeing this could be presented as a Written Resolution to members of the Corporation. The Committee members agreed that those present and approving the Resources Committee recommendation would be considered to support the Corporation approval unless advising the Dir. Governance and Compliance otherwise.

The Committee was informed that a print-services tender, based on nine submissions, had already resulted in the contract being awarded to iTech. The Committee was advised that this was below the threshold for Committee approval, also with a saving on both rental and print rates.

The Committee then considered catering in the context of estates and contracts. Members noted that the existing supplier had been extended under the permitted contract terms, and the subsidy for next year was expected to reduce from £61,000 to £44,000, subject to any April uplifts. Members discussed the balance between tariff pressures, free-college-meal protection, and quality. The SLT confirmed that free-college-meal learners should still be able to obtain a proper hot meal and drink, and that student and staff feedback continued to shape service expectations. The Committee insisted that any cost savings must not impact service and quality, asking that those in receipt of free school meals are always considered as a priority ahead of any cost savings, highlighting how this may be the only meal some receive in a day, which must be a reasonable portion and of high quality.

In concluding, the Committee was informed that Southport Learning Trust had now formally agreed a further three-year lease extension at approximately £26,000 per year. Members were advised that although below the threshold for Committee or Board approval, the lease required the application of the seal due to the nature of the contract. The Committee endorsed the application of the Seal, to be witnessed by the Committee Chair and Corporation Chair after the meeting.

**Item 14 – Resolved:** The Committee resolved to accept the update, endorsing the balanced approach to the use of grant funding, between essential maintenance and improving student areas. The Committee recommended the Corporation approve the appointment of Churchill Services Ltd as the preferred provider for the cleaning contract, with the matter to proceed to Corporation by written resolution. The Committee noted a number of contractual savings, asking that savings made do not negatively impact learners, with particular consideration to be given to the most disadvantaged.

**Task:** The three-year lease extension for the Southport Learning Trust was approved to proceed under seal, to be witnessed by the Committee and Corporation Chair.

**Task:** Send the written resolution to Corporation for approval of the cleaning contract recommendation.

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## 15 - Financial Reports

### 15.1 - DfE Guidance Updates

The Committee noted a series of Department for Education guidance updates, with direct links embedded in the report. These included the college financial planning handbook, accounts guidance, the financial handbook, the framework for auditors and reporting accountants, and the accountability agreement.

The most notable changes highlighted by the Vice Principal Finance were payments in lieu of notice now being treated as restructuring costs, updates relating to FRS 102 and revenue recognition, procurement and spending references aligned to the Procurement Act, and changes to senior pay approval thresholds. Members also heard that the accountability agreement had been summarised due to its scale and operational detail. The Committee was assured that no further amendments to the college's own financial regulations were required, as the relevant changes had already been anticipated and incorporated.

#### Item 15.1 – Noted

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### 15.2 - Tuition Fees Review

The annual tuition fee review was presented with no major funding changes proposed at this stage. The Committee was informed of the implications and complications arising from Lancashire's new devolved arrangements, which meant the college did not currently hold a contract to deliver adult skills provision there, despite the proximity to the border, and number of students enrolled. Members noted the practical consequences for learners living just across the boundary, including cases where learning that would previously have been funded could now cost around £3,000, even for a 19-year-old progressing from existing study, or would result in the student needing to travel a considerable distance.

The Committee heard that this position was out of step with approaches taken by other combined authorities, particularly where longstanding providers were on a border. In response to questions, the Committee was informed that the issue had been raised through the Association of Colleges and directly with Lancashire and had challenged suggested alternatives that would place an unreasonable administrative burden on individual learners. The likely financial exposure was described as manageable, around £100,000 in broad terms, with the larger concern being fairness for local learners rather than the monetary impact alone.

The Committee agreed that the college should absorb costs in the short term while the issue is resolved. The position taken was that a further annex or in-year adjustment may be needed once Lancashire's final approach becomes clear, and that the college would continue to pursue a practical resolution without compromising integrity.

**Item 15.2 - Approved:** The Committee resolved to recommend the Corporation approves the annual tuition fee proposals, with the expectation that an in-year amendment may be needed if the Lancashire funding position changes.

**Task:** Bring back an annex or in-year tuition-fee adjustment if the Lancashire adult-skills position changes.

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### 15.3 - Management Accounts Approval

The Vice Principal Finance presented the April management accounts, advising that these showed a year-to-date operating surplus of £37,000 against a forecast deficit of £206,000, giving a favourable variance of about £243,000. Members were informed that income was £62,000 favourable, pay costs £27,000 favourable, and non-pay costs £165,000 favourable. Depreciation was noted to be £16,000 ahead of forecast but this was

largely offset by an £18,000 release of deferred capital grant, with interest payable slightly favourable by £5,000.

The Committee reviewed the resulting financial health position, noting that the recalculated March forecast remained at 230 points, which placed the college at the higher end of good financial health. Members asked about the boundary for moving into outstanding, noting they were now just below the 240-point threshold for outstanding. Members revisited the strategic rationale for staying at the top end of good rather than tipping into outstanding, noting both external funding considerations and the possible impact on pay negotiations. The Committee also heard that the loans measure had improved to 11.94 and now scored 80 points, reflecting repayment of around £900,000, while the staff-cost ratio stood at 68.08 percent and cash at the end of April was £5.6 million, albeit with part of that balance ring-fenced for capital investment.

Members then discussed at length the strategic implications and wider use of the positive financial position, asking about the shift over time of the financial health score. Members reflected on the college's recovery from a much weaker position six years earlier, the cultural memory that still exists among staff, and the tension between presenting strong finances and addressing comparatively low pay levels. It was noted that if genuine new unrestricted funding were available, staff pay would be the priority use, with the Committee agreeing investing in staff was a priority, provided this did not risk the long term financial stability of the Group.

The Committee also received a brief verbal update of the May position, noting this showed an operating surplus of £46,000 against a forecast deficit of £190,000, maintaining the same broad pattern of favourable performance.

**Item 15.3 – Approved:** The Committee approved the April Management accounts, noting the favourable position and endorsing the consideration for a reduced financial health score in favour of investing in staff, provided this did not destabilise the long-term financial position.

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## **15.4 - Financial Forecast 2026/27 to 2027/28**

The Committee reviewed the detailed financial forecast for 2026 to 2027 and 2027 to 2028, supported by assumptions, budget tables, cash-flow forecasts, cash-days-in-hand analysis, an extract from the CFFR return, and sensitivity scenarios. Members were informed the proposed budget for 2026 to 2027 showed an operating deficit of £358,000 with good financial health at 230 points. The 2027 to 2028 position was similar, with a forecast operating deficit of £355,000 and the same good financial health score.

Members also considered the range of possible outcomes, noting how the wider sensitivity analysis showed a best-case position of a £90,000 surplus and a worst-case position of about a £1.1 million deficit, with the most likely position sitting around the middle of that range. The Committee noted that the finance link governors had undertaken a detailed pre-meeting review, with them confirming that they had no concerns to raise, complementing the team on their thorough preparation and accuracy of previous budgets.

The Committee endorsed the budget for Board approval, with discussion acknowledging both the scale of the work involved and the practical difficulty of the formal CFFR return. Members noted the requirement for Board approval for the CFFR, with it confirmed a new version had been released. Assurances were given that this would be completed ahead of the Board meeting, being assured that the figures presented in the pack were the substantive basis for approval and that the CFFR return would be aligned to the underlying budget as reviewed.

**Item 15.4:** The budget and financial forecast for 2026 to 2027 and 2027 to 2028, together with the associated CFFR submission aligned to the budget, was to be recommended to the Corporation for approval.

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## **15.5 - Curriculum Efficiency Benchmarking**

The Committee noted the updated curriculum efficiency benchmarking information, as made available by the DfE through the compare-your-curriculum-efficiency portal. Members were reminded that the data is already dated even though it has only just been released, due to the DfE having utilised the 2024 to 2025 finance record, returned after year end, to generate the information.

The summary highlighted learner volumes, pay and staffing comparisons, non-pay costs, efficiency measures, and related ratios. In discussion, members queried why funding per learner appeared lower than benchmark averages. It was explained that comparisons can be distorted by the mix of provision recorded by other providers and by the college's own profile, including KGV's lower average allocation per learner because of its subject mix and low area-cost weighting. The benchmarking was therefore treated as informative, acknowledging the limitations and inability to draw like-for-like comparison.

**Item 15.5 – Noted:** The Committee noted the information, conceding limited value in the benchmarking data due to being outdated and difficult to draw comparisons due to the variations in provision types.

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## **16 - Committee Planning 2026/27**

The Committee reviewed proposed planning changes for 2026 to 2027, noting the Terms of Reference had a substantial review in January, with no further updates recommended. The main adjustment discussed was the transfer of employer engagement oversight to the Standards Committee, reflecting the evolvement of the strategy over time, with it now more closely focused on quality of learner experience and employer relationship impact than on standalone Resources reporting.

Members also considered the committee cycle, discussing the consolidated reporting, noting how meetings have been running more effectively to time. Members considered the proposal to move to a four-meeting structure for the year ahead, with the rationale being to reduce unnecessary duplication in agenda planning while maintaining sufficient oversight through the revised reporting pattern.

**Item 16 – Approved:** The Committee resolved to recommend the transfer of employer engagement oversight from Resources Committee to Standards Committee for 2026 to 2027, which would support a four-meeting structure for Resources Committee in 2026 to 2027 in alignment with the Standards Committee.

## **17 - Meeting Reflection and Closing**

### **17.1 - Risk Review**

The Vice Principal Finance presented the risks aligned to the Committee for review. The Committee reflected on their discussions throughout the meeting and considered the risks related to financial health, particularly relating to achieving outstanding, reflecting the earlier discussion about balancing financial health with wider strategic priorities. After reflection, the Committee did not identify any recommended amendments to the risk register arising from the items reviewed, thanking all staff for their clear reports.

**Item 17.1 – Resolved:** The Committee resolved to support and endorse the current risk position for items related to the Committee.

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### **17.2 - Items to be presented to the Corporation**

The Committee confirmed the items to be reported onward to Corporation. These included continuation of the employer engagement strategy, recommendation of the learner support funds policies, approval of the IT strategy within committee remit, the cleaning contract recommendation by written resolution, tuition fees, the budget and financial forecast, and endorsing the current Terms of Reference.

**Item 17.2 - Resolved:** The Committee agreed the key items to be reported onward to Corporation for information and approval.

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### **17.3 - Date of next meeting and close**

It was noted that the next meeting date would be confirmed once the wider board schedule had been finalised, with the first meeting expected to be in September. The Chair then closed the meeting at 7.09 pm and thanked everyone for their contributions.