

**Minutes of the Resources Committee Meeting held in the Innovation Centre
Monday 21st November 2022 at 4.45pm**

- Present:** Christine Bampton (Corporation Chair)
Margaret Boneham (independent member) (left during item 13)
Michelle Brabner (Principal)
Rob Firth (independent member)
Alex Kenny (independent member) (left during item 13)
Alex Gamil (Committee Vice Chair) (left during item 13)
Paul Walker (Committee Chair)
- In Attendance:** Lisa Farnhill – Clerk
Matthew Hirst – Fusion (virtual attendance for item 12 only)
Victoria Wickington - Assistant Principal Teaching, Learning and Quality (up to and including item 6 only)
Kevin Williams – Vice Principal Finance and Facilities
Andy Winrow - Head of Finance (up to and including item 12 only)
- Apologies:** Alison McDowell – Head of Personnel and Payroll
Stephen Musa – Assistant Principal Student Experience and Welfare

Minute No.	Minutes	Action
R.23.21	Open and Welcome	
	The Chair welcomed members and attendees, thanking them for their time.	
R.23.22	Item 1: Apologies for Absence	
	Apologies for absence for two members of staff were detailed, with it agreed the Principal could deliver their reports, with any questions that cannot be answered to be circulated by email. It was suggested item seven was delivered ahead of item six, allowing the AP Teaching, Learning and Quality to leave earlier.	
	<u>Item 1 - Noted:</u> <i>The staff apologies were noted and accepted and running order altered.</i>	
R.23.23	Item 2: Declarations of Interest	
	None were made.	
	<u>Item 2 - Noted:</u>	
R.23.24	Item 3: Approval of the Minutes of the Meeting Held on 4th October 2022	

The Committee Chair invited members to raise any points of inaccuracy. With none raised, the Committee offered unanimous approval for the minutes.

Item 3 - Approved: *The Committee resolved to approve the minutes as a true record for the meeting held on 4th October 2022.*

R.23.25 Item 4: Actions Summary

Members noted the request of the Standards Committee for parity in terms of assessing meeting impact, agreeing to introduce this with immediate effect.

The Clerk summarised the actions relating to matters arising from previous Committee meetings, highlighting the inclusion of KPI's for the Employer Engagement Strategy, with others not yet due for completion until the next meeting of the Committee.

Item 4 – Noted: *The Committee resolved to note the details of the actions report.*

R.23.26 Item 5: Confidential Business

5.1 - Identify any minutes that need to be regarded confidential

Item 9.5 from the meeting of 4th October 2022 was considered to be confidential, with the Committee recommending the content of minute R.23.14 be removed from the publicly available minutes.

5.2 - Determine whether any items of business are confidential and should be discussed in a separate part of the agenda

Members reviewed the agenda and confirmed that as highlighted, the Staff Pay Award should be discussed without the presence of staff.

Item 5 - Resolved: *The Committee resolved to redact minute R.23.14 from the public record of minutes for the minutes of the meeting of 4th October 2022. The Committee agreed to review the Staff Pay Award as a confidential item.*

R.23.27 Item 6: Enrolment Update (delivered after Item 7)

The Principal delivered the report on behalf of the AP Student Experience and Welfare. Details of the marketing spend, enrolment 2022 and applications to date for 2023 were summarised.

Key points were highlighted, with members advised that at the time of writing, enrolment, which was as a result of the previous years marketing activity, was slightly above target, however, a few students had withdrawn since the report was circulated.

Members clarified that day 42 was individualised based on the learner's start date as opposed to the first day of teaching, which spanned a four-week period for Southport.

The attendance at open events was discussed at length, including the impact of the change in timing of mock exams in local high schools. Members noted that although attendance was lower than the previous year, it was above pre-

pandemic levels. Members asked if consideration was given for alternative days and times, with the Principal highlighting the need to avoid holding the event when evening classes were being held, as well as considering weekend events. Members were advised previous Saturday events had not been effective, which had a detrimental impact. Members discussed the potential for day time events, with schools bringing their students as well as the offer of individualised tours for those unable to attend.

Members noted that applications were also lower than at the same point last year, however, applications rates had not reduced as much as the attendance at open events. Members asked for more comparative conversion data and were advised this would be included from the following year, noting the pandemic had distorted the data for the previous two years.

**AP Stud.
Exp. &
Welf.**

Members were given details of the marketing for the updated HE offer, with the marketing team mindful of the impact of inflation and focusing on getting the best value out of their activities.

Internal progression was discussed, along with the strength of reputation of KGV.

Members noted the focus of reporting shifted from enrolment to census, then to looking at applications for the following year, asking if the team reflected on the successes of the previous year and areas of concern. The Principal highlighted that after enrolment, the retention and progression statistics were not the responsibility of marketing, therefore, although reviewed in detail, it was not reflected in the marketing reports. Members clarified they were looking for confidence in the visible reflection of impact of the marketing activities, which members were assured took place, with reports to SLT, with the new enrolment dashboard able to support and evidence this.

Members questioned whether students were asked about what influenced their decision to attend an event or to apply, and were advised this was often preceded by a number of marketing activities and touch points, with examples given of how this is checked. The Principal confirmed that applications were often as a result of personal contact, with teaching staff having the biggest impact, with members assured that although not reported on in the marketing report, this is regularly reviewed and is known to the marketing team, along with how many have come from each school. Members proposed this information evidenced value for money from marketing activities and should be available to governors who need to maintain oversight for value. The Principal confirmed this would form part of the dashboard.

**Principal/
AP Stud.
Exp &
Welf.**

Members raised concerns over the AEB enrolment and were advised that the financial targets did not easily transpose to headcount targets due to courses bringing in varying levels of income. The Principal assured the Committee that this would be kept under review, with members suggesting the target is phased based on the expected enrolment in each term, making it easier to track progress.

**Principal/
AP Stud.
Exp &
Welf.**

Members asked for examples of 'keeping warm' activities and noted that although the cost of postage for some was high, the resulting connection to the college created a positive impact.

The item concluded with the Principal confirming that the team continued to work towards the challenging target of 8% growth for the coming year, however, would consider moderating expectations at the end of the year if the

market in Southport could not support that growth. The Principal suggested this would then need to be supported by the review of options for attracting into the borough, noting this strategy would take time to implement.

Item 6 - Resolved: *The Committee resolved to note the update, subject to the inclusion of comparative conversion information in 2023.*

R.23.28 Item 7: Annual Staff Development Report 2021/22 (delivered before item 6)

The AP Teaching, Learning and Quality summarised the report, highlighting the reduction in the number of attendees in the context of the college employing fewer staff than in the previous year.

Members reviewed the impact of the Pandemic, with online courses now more prevalent providing a lower cost alternative to 'in-person' events, noting that these had been predominantly free during the previous year.

Priorities for 2022/23 were discussed at length, with members raising concern over the financial impact and value for money when offering support for non-essential high-cost courses, including Masters for staff. Members acknowledged the benefit to the individual, supporting retention, however, proposed this was disproportionate in comparison to the budget for all staff.

In response to questions relating to staff retention for those receiving financial support for qualifications not considered essential to the role, details were provided of the percentages to be repaid, depending on the timing of the resignation. When asked how often this was revoked, it was conceded that although it was embedded into the 'Staff Award' contract, processes for recouping the funds were not as robust as they could be. It was proposed this needed to be reviewed, with the contract and process strengthened, with the Principal confirming this was scheduled to be completed this year. A member highlighted how any reluctance to sign a retention agreement indicated the employee was already contemplating their future with the college.

AP T, L &
Q

Members clarified their concern was over value for money and fairness, confirming they did not wish to prevent staff developing to better support students or for their own career progression, however, they needed to ensure that the process was fair and robust. Members asked if staff were given time to complete any additional qualifications and were assured, that where this was a requirement of the role, there was scope to be flexible, however, where it was for personal development, no reduction in timetables could be offered, with students and teaching remaining a priority.

Members asked if the underspend was carried forward and had been intentional. They were informed it was not carried forwards and that the budget was under review with underspend unintentional but as a result of the limited courses available during the Pandemic. Members were advised underspend was unlikely this year, with a focus on exam preparation and supporting new leaders and managers.

Members suggested the CPD budget was critical, both for staff and students, with training showing a commitment to staff as well as resulting in a rounded and enhanced student experience, suggesting that any review of the budget takes this into consideration.

The item concluded with members agreeing spending needed to be monitored and reflect value for money and fairness, whilst reiterating this was a critical budget for ensuring staff and students receive the best possible experience as part of the college community.

Item 7 - Resolved: *The Committee resolved to accept the update subject to a review of the process and contracts for 'Staff Awards'.*

R.23.29 Item 8: Employment Trends Report 2021/22 to include Gender Pay Gap Reporting

The Principal summarised the report on behalf of the Head of Personnel and Payroll.

Members were reminded of the need to meet the external gender pay gap reporting requirements. The report identified there was a gender pay gap, however, the Principal confirmed that this information in isolation did not necessarily provide meaningful information to the Committee. Members noted that although there was an overall gender pay gap, no female staff were paid less for completing the same role as a male colleague. The gap was confirmed to be as a result of more female staff in part time and lower paid roles. The Committee were assured by mitigating actions, including supporting flexible working where possible and actions to actively reduce barriers for those with caring responsibilities, with members reflecting on the gap as a result of less men in part time roles a wider societal issue.

Members interrogated the information, including preparations by the college to respond to any negative press interest. Members highlighted how recent resignations and appointments would have a negative impact on the data.

Members noted that overall, there were no significant changes or trends to note within the data, reflecting on points raised in the previous year about the cohort of staff reflecting the student profile and local community. Members sought assurances that there was no complacency in relation to the data, confirming processes were in place to EDI impact assess all adverts and policies, to ensure there were no unintended barriers or obstacles. Members were assured all opportunities were positively promoted to all and confirmed the college remained proactive in ensuring there were no barriers to employment for any prospective applicant. The Principal added that as a disability confident employer, there was more the college could do to promote their flexible supportive culture and this was being worked on this year.

In reviewing sickness absence information, members noted the caveat when comparing to statistics from years impacted most heavily by the Pandemic. Members were informed that absences were now high across the sector, with the dual impact of lower immunity and greater awareness relating to the transmission of illnesses. The Committee were advised that the college remained flexible where possible, allowing staff to work from home where practical.

Members challenged the data in relation to application of college procedures, indicating this was not reflective of those not achieving their targets. This was considered at length, with members acknowledging the difficulty to initiate processes during the Pandemic. Assurances were given that this was being addressed in 2022/23, with the new structure and processes supporting delivery of improvements at pace. Members proposed that when positioned

as supportive, the outcomes were positive for the staff, as well as being beneficial for the students.

Item 8 - Resolved: *The Committee resolved to note the update, supporting the publication of the gender pay gap information and actions to reduce it.*

R.23.30 Item 9: Strategic Objective 5 Action Plan

The Principal confirmed actions were on track and invited comments and questions. With none received, the report was accepted.

Item 9 - Resolved: *The Committee resolved to accept the update.*

Item 10: Financial Reports

R.23.31 Item 10.1: Management Accounts – September

The Head of Finance summarised the management accounts for September, with October, to be circulated by email. Members noted the intention to update the AEB, energy and high needs budgets, which would impact the affordability of a pay award to be reviewed under item 13.

**Head of
Finance**

Members were assured that the student numbers had been updated based on the enrolment actuals, with 41 withdrawals as data was cleansed in the last few weeks.

Members asked if there had been any progress with the DfE in relation to the conversion of the loan to a grant, with the VP Finance and Facilities confirming he had initiated contact but had not had a response, with this likely to be impacted by the change in remit of the DfE and ESFA as well as the imminent announcement by the ONS in relation to the categorisation of colleges.

VP F&F

Members conceded it would be unlikely, but would be worth pursuing, asking if the local MP could offer support. Members were advised of a strong relationship with Damian Moore, although there had been some disappointment following a letter to principals, which highlighted the successful uplift of £1500 per student in schools with nothing similar achieved for colleges. The Principal confirmed she was drafting a response to this, which could address the loan issue and canvass further support.

Item 10.1 - approved: *The Committee resolved to approve the management accounts for September.*

R.23.32 Item 10.2: Financial Statements 2021/2022

The VP Finance and Facilities summarised the adjustments made since the presentation of the July management accounts, the details as taken from annex two were summarised.

Members noted this resulted in a revised deficit of £998,000, resulting in a financial health rating of 'good'. Members asked what the impact was in relation to the Financial Health Notification letter as previously circulated which confirmed the rating as 'outstanding', with it explained that had been

based on the budget as submitted in July, and it would be superseded by a letter in March, updated to reflect the audited financial statements.

Members reviewed the performance indicator data in section 6.1, noting a reduction in the score from 270 to 230.

Members attention was drawn to the pension liability, originally forecast as a deficit of £10,800,000, with this now an actuarial gain of £10,000,000. Members noted the impact this had on the balance sheet liability with the reserves increased from £11,300,000 to £20,400,000.

Members discussed the disclosure relating to the contingent liability in respect of the supreme court ruling relating to calculating holiday for part time staff with irregular hours. Members were assured that work was being done to calculate the potential liability, with it expected that the impact would be low.

Members noted that some minor typing errors were being corrected for the final version to be presented to the Audit Committee, with the Committee unanimous in recommending them for approval subject to the minor amendments which were detailed and had been worked through with one of the members.

Consideration was given to the ratio of teaching to non-teaching staff, which was currently a fifty-fifty split, asking if there were up to date sector benchmarks. Members were advised that some colleges allocate student facing non-teaching roles as teaching staff, and others did not, making it difficult to draw accurate comparisons, however, the review undertaken by the VP Finance and Facilities against a similar sized college indicated they were in alignment. Members asked for a breakdown of the costs of all back-office support staff that were not involved in the delivery of the curriculum, to see the cost of the non-income drawing areas of the business. It was confirmed this could not be divided by site due to the way some support roles covered both sites yet were housed at the Southport site.

VP F&F

Item 10.2 - Approved: The Committee resolved to recommend to the Corporation for approval the financial statements (following the update of minor typing errors) subject to the inclusion of any final amendments and corrections as highlighted by the Audit Committee.

Item 12 was delivered after Item 10.2

R.23.33 Item 10.3: Risk Update

The Vice Principal Finance and Facilities summarised the updates to the risk register, highlighting the increase in the number of risks categorised as high. The impact of economic pressures along with concerns over adult funding were noted as reflected in the update.

Members attention was drawn to the risk score related to 16-18 learner numbers, noting it had lowered as the target had been hit, however, accepting it needed to remain a high risk.

The risk rating related to industrial action had increased as pay negotiations continued, however, this was still not considered to be a high risk.

Members commended the SLT's commitment to the updated process for reviewing risks, asking for more clarity around the mitigating actions in relation to the increased risks. Proposed actions in relation to energy savings and marketing were detailed.

Members presented their concerns around some of the potential options discussed for energy saving, suggesting ahead of further consideration, the impact of reduced opening on staff and students needed to be considered and would need to be carefully managed. Members discussed the potential benefits, with reduced travel costs for staff and students, however, still conceded there would be drawbacks, with a risk that the new processes for monitoring and improving outcomes may be adversely affected by a condensed week, asking that lower impact cost savings are implemented as a priority.

Options implemented at other colleges, including longer holidays were discussed, with it agreed the implications if each proposal needed a careful cost benefit analysis. Members insisted this needed to take into account wellbeing as well as cost savings, with considerable focus on actions to mitigate any safeguarding issues should there be a decision to extend any holiday closures or reduce the opening hours.

Item 10.3 - Noted: The Committee resolved to accept the update.

R.23.34 Item 10.4: Strategic Objective 4 Action Plan

The Vice Principal Finance and Facilities highlighted the progress made, with particular focus on the actions relating to ICT, with members commending the team for their work on increasing the resilience of the systems against potential cyber-attacks,

Item 10.4 - Noted: The Committee resolved to accept the update.

R.23.35 Item 11: Accommodation Update

Item 11.1: Accommodation Strategy Update

The Vice Principal Finance and Facilities summarised the update, including a detailed overview of the work undertaken to consolidate trades into the Pennington building, utilising the strategic development fund to install essential new facilities.

R.23.36 Item 11.2: Room Utilisation Report

The Vice Principal Finance and Facilities provided an overview of the data, and actions undertaken to improve utilisation across both sites. Members noted this remained low and thanked the VP Finance and Facilities for work towards improving this.

R.23.37 Item 11.3: Formby and Pennington – Legal Positions

The Vice Principal Finance and Facilities summarised the position, including the information from the handover from the previous post holder, and the updated legal advice.

Members expressed their concern over the current contract preventing any opportunity to review the rates, clarifying that legal advice had been sought in relation to this. Members were assured that the process to initiate the next review had already begun, with the intention to provide early notification to ensure this would not be missed and legal support to ensure appropriate contract clauses for rate reviews would be incorporated.

It was proposed the plots may be worth more than the current balance sheet valuation, however, members confirmed there was no intention to realise the assets, only to ensure market rates were received. Members proposed the clauses attached to the properties would restrict the saleability and potentially impact the value.

Item 11 - Resolved: The Committee resolved to note the updates, subject to reassurances that progress was being made to ensure a timely initiation of the rate review for the rental properties.

R.23.38 Item 12: Estates Strategy (delivered after item 10.2)

The Vice Principal Finance and Facilities summarised the key points and introduced Matthew Hirst from Fusion, who provided additional detail around the proposed strategy.

Changes made since the draft were summarised, including the review process that had been undertaken, with the preferred option for the wider estates' strategy being option 3. Members were reminded this incorporated a primary focus on the demotion of the West Wing and other buildings that were no longer in use at the KGV site, to rationalise space, alongside the refurbishment of the central and south areas, with an anticipated cost in the region of £12,000,000.

Other updates to the strategy were the inclusion of the recent investments at the Southport site.

It was clarified that implementation was dependent on grant funding, with a strategy essential to pursue applications for any available funding in a timely way, with members asking for proposed timeframes. Matthew explained which funding strands were likely to become available and the timeframes for application and spending, noting the implications of any funding that were not specific to the college sector would be more difficult to secure.

Item 12 - Approved: The Committee resolved to recommend the Estates Strategy to the Corporation for approval.

All staff except Senior Post Holders withdrew ahead of item 13

R.23.39 Item 13: Redacted

R.23.40 Item 14: Items to be Reported to the Corporation

The Clerk summarised the items as included on the agenda of the Corporation to be presented as follows:

- Financial Statements (for approval)

- Estates Strategy (for approval)
- Staff Pay Award (Subject to further discussions) (for approval)
- Employment trends and gender pay gap reporting (as essential information)

Members noted that an update in relation to enrolment would be included in the Principal's report and agreed in the interests of document minimisation, no other items needed to be recommended for information but would be available upon request.

Item 14 - Resolved: *The Committee resolved to present the information to the Corporation as detailed above.*

R.23.41 Item 15: Date Of Next Meeting (and Closing Comments)

The next scheduled meeting was confirmed as Tuesday 31st January 2023 5pm, with an extraordinary meeting to be held online before 14th December 2022 (date to be confirmed)

Item 15 - Noted:

The meeting closed at 7.35pm