

**Minutes of the Resources Committee Meeting held in roomTB1.46 on
Wednesday 28th June 2022 at 5pm**

Present: Christine Bampton (Corporation Chair)
Margaret Boneham
Michelle Brabner (Principal)
Rob Firth
Alex Kenny (Committee Vice Chair)

In Attendance: Stephen Musa – Assistant Principal (Student Experience and Welfare)
Kevin Williams - Director of Finance and Facilities
Lisa Farnhill – Clerk

Apologies: Paul Walker (Committee Chair)

Absent:

Minute No.	Minutes	Action
R.22.88	Open and Welcome The Corporation Chair welcomed everyone to the meeting, thanking members and attendees for their time, with the agreement of the Committee, it was confirmed the Corporation Chair would act as Chair for the meeting.	
R.22.89	Item 1: Apologies for Absence The Clerk confirmed the Committee Chair had to send his apologies. The meeting was confirmed as quorate and the apologies were accepted by the Committee. <u>Item 1 - Accepted</u>	
R.22.90	Item 2: Declarations of Interest The Clerk declared that she was the Clerk to the Governing Board for St Mary's College in Blackburn. <u>Item 2 - Noted:</u> The Committee noted the declaration made.	
R.22.91	Item 3: To approve the minutes of the meeting held on 18th May 2022 The Committee Chair invited members to raise any points of inaccuracy. With none raised, the minutes were approved as a true record of the meeting. <u>Item 3 - Approved:</u> <i>The Committee resolved to approve the minutes as a true record for the meeting held on 18th May 2022.</i>	
R.22.92	Item 4: Actions Summary	

The Clerk summarised the actions. Members confirmed there was nothing further to raise not included the report or within the agenda and accepted the report.

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

R.22.93 Item 5: Confidential Business

5.1 - Identify any minutes that need to be regarded confidential

The Committee confirmed the minute R.22.93, item 8.4 from May 18th relating to the staff pay award needed to be redacted from the public copy of the minutes.

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

Members confirmed nothing within the agenda needed to be treated as confidential.

Item 5 - Resolved: The Committee resolved to approve the publication of the minutes, subject to the redaction of item 8.4.

R.22.94 Item 6: Update of Actions in Relation to Strategic Objective 5

The Principal summarised the Strategic Objective, relating to values, culture and people and informed the Committee of the progress year to date, noting some actions had evolved over the year to take into account staff and Committee feedback. Members commended the Principal for the progress, noting the completion rate of 98% for appraisals, including hourly paid staff was the highest seen.

Members supported the prioritisation of the consultations over the sampling and quality assurance checks, noting this action would be carried forward into the new academic year.

Members discussed the staff survey, noting that the outcome was not yet available and would be a key measure of the impact of the actions outlined. Members were assured by actions to maximise participations rates, including for part time staff, and agreed that wider participation was key to having representative responses. Suggestions were made to improve communication of the survey with staff in relation to completion and outcomes. Members indicated their hope that the responses to be reported in September would demonstrate increased staff satisfaction, noting a target of 5% increase in overall satisfaction. Members discussed anonymity and benchmarking and clarified the questions allowed for sector wide and internal benchmarking, with only one question changed, which had been approved by the unions.

Item 6 - noted: The Committee resolved to note the update, asking for the staff survey outcomes to be delivered to the Committee in September.

R.22.95 Item 7: Learner Support Funds Policies

The AP Student Experience and Welfare summarised the policy changes, with extensive discussions by members around the impact of maintaining thresholds at the current level, gaining clarification on the budget impact and protected status of the fund. Consideration was given for improving the offer further, concluding it was prudent to maintain the current levels for a further year, with the increases having only been in place for one academic year. Members also took into account the negative impact should there be an increase followed by a need to reduce it in future years, noting how quickly the student profile can change.

Members thanked the AP Student Experience and Welfare for summarising the ways in which the available support is communicated, noting improvements to the application process. Members however, asked for visibility and awareness to be increased further, particularly for parents, highlighting that this was a valuable marketing tool and essential for some families to access the opportunities available from the college.

**AP SE &
Welfare**

Item 7 - Resolved: The Committee resolved to maintain the thresholds as recommended and to ask the Corporation to approve the policies.

R.22.96 Item 8: Marketing

Item 8.1: Recruitment Update

Members thanked the AP Student Experience and Welfare for the report, noting it was the same format as the one presented to Standards, clarifying it included data for HE. Members advised the AP Student Experience and Welfare of need for differentiated reports, with more resource-based information, relating to value for money and costs to demonstrate the impact of the strategy to be presented to Resources. Members confirmed that the applications, including expected census date figures based on previous conversion statistics was still necessary for both Committees, with the same data needed for differing reasons. Members asked that the report purpose is cascaded to the Head of Marketing to ensure the reports are tailored to the audience.

**AP S.E. &
Welfare**

Members confirmed the more detailed data relating to individual courses could continue to be provided if this was data already available and not burdensome to produce, indicating this was useful, but not essential.

Members asked for more information about the new courses, including animal management and were informed of the room utilisation and equipment requirements. Members commended the Principal for pursuing the course, noting how popular it was, due to meeting local needs and demands.

Item 8.1 - Noted: The Committee resolved to accept the update subject to more tailored reports for the Committees in 2022/2023.

R.22.97 Item 8.2: Marketing Strategy 2022/23

The AP Student Experience and Welfare summarised the report, with members expressing concern over the lack of information from September onwards, indicating this was a critical time for late enrolment, needing a focus on courses that had not recruited enough to remain viable.

Members were assured these activities were undertaken but had not been listed.

Members had a detailed discussion relating to the HE plans, noting all other areas had grown, whilst HE continued to reduce. The Strategy Event outcomes were clarified, concluding that the provision currently offered did not meet local needs and was trying to compete with local HE providers in a saturated market. Members accepted the need to refresh the offer to be more bespoke to the needs of the local community. It was confirmed there would be no foundation year recruitment this year whilst the strategy was refreshed, focusing on Level 4 and Level 5 higher level apprenticeships. Members clarified the intention was for plan approval and implementation in the coming year for recruitment in 2023/24, once market research and progression route reviews conclude, with a need to move at pace.

Members agreed to discuss the financial implications under item 10.3, financial forecasts, however, proposed there still needed to be something within the marketing strategy that reflected the current position and proposals. Members acknowledged the need to ensure the strategy did not suggest the College was capping aspirations for FE students by mapping out routes for progression, but instead was focused on providing more opportunities for adult learners to progress within their careers.

Members acknowledged the reduced HE applications were down to poor curriculum planning rather than ineffective marketing and asked for the strategy to be updated to include costings and reflect the current position and plans and be re-submitted in September, focusing in this committee on staffing, hours, value for money and resourcing needs.

**AP S.E. &
Welfare**

Members concluded by thanking the AP Student Experience and Welfare for his work throughout the year, noting aside from HE, applications had increased, and the strategies had been effective, asking that the HE discussions do not detract from the positivity across the other areas of college.

Item 8.2 - Approved: The Committee resolved to approve the Marketing Strategy.

R.22.98 Item 9: Employer Engagement Strategy Update

Members thanked the Dir. Finance and Facilities for delivering the update, agreeing it was succinct and in the format requested. Members confirmed resources were sufficient, noting the increase in the number of apprentices.

Members were advised of plans to make the teams more cohesive, to avoid duplication and clarified who was accountable and the impact of the staffing changes, noting improvements through the utilisation of new software and use of consultants.

Item 9 - Noted: The Committee resolved to note the update.

Item 10: Financial Reports

R.22.99 Item 10.1: Management Accounts

The Dir. Finance and Facilities confirmed the management accounts circulated were for April, with May due soon, having spent time on the outturn forecast and CFFR in order to accurately prepare the financial forecasts.

Members acknowledged the improved position based on increased apprenticeship income and the bringing in of the AEB clawback, noting the successful over delivery of AEB provision. Members acknowledged the 'outstanding' financial health grade was only as a result of the AEB clawback, with it confirmed it would be 'good' with the £300,000 taken out.

Members discussed the impact of the temporary increase in financial health grade, with it confirmed that the Dir. Finance and Facilities would liaise further with the ESFA to establish where this should be input on the CFFR to prevent giving a false indication of the financial health of the college.

Members were pleased that the 'good' grade was solid and asked for this not to result in a loss of momentum, requiring continued focus on efficiency as the college faced increasing costs, with concerns raised over the impact of the improved financial health on staff pay negotiations.

Assurances were given relating to continued transparency with staff, whilst ensuring delivery of the information would provide sufficient background information to ensure staff know there needs to be continued efforts to cut costs as costs increase to prevent a negative impact on the financial health of the college.

Item 10.1 - Approved: The Committee resolved to approve the April Management Accounts.

R.22.100 Item 10.2: Benchmarking 20/21

The Dir. Finance and Facilities confirmed the data from the dashboard was similar to that presented at a recent meeting, however, had been updated to include benchmarking for 20/21.

Members acknowledged the impact of the restructure, and reduced pool for comparison, having previously been 14 colleges, with now only 10 small colleges, with others having closed or merged.

Members expressed concern over Southport being less profitable than those it was benchmarked against, with high numbers of teaching staff having an adverse impact. Members noted pay below average for teaching, support and maintenance staff.

Other key points included high non-pay costs, with comparably high numbers of PC's and low room utilisation. Members were advised there was a need to challenge the culture in relation to rooms and areas, with staff commended for their ownership, however, needing for this to be changed to increase profitability.

Item 10.2 - Resolved: The Committee resolved to recommend the report to the Corporation as essential information.

R.22.101 Item 10.3: Financial Forecast 2022/23 to 2025/26

The Dir. Finance and Facilities delivered a detailed presentation to members on the financial forecasts, including the evidence base for the assumptions.

Prudence was highlighted, with targets adjusted down, and detailed discussions held relating to expectations around the ongoing staff pay negotiations for 2022/2023, noting unions were currently fixed at 10%, despite the AOC putting forward a recommendation of 2.5%, highlighting that even this will not be affordable for half of colleges.

The local impact on morale and staff relations was discussed, with risks highlighted, with members advised that the unions had not raised pay at the most recent union meeting, which had been unexpected.

Members expressed their concern over the impact of the increase in cost of living on staff, noting that any cost savings that led to increased efficiency and facilitated increased staff pay, would have an adverse impact on the staff pay ratios.

Members thanked the Principal for maintaining good relations with the unions and for continued efforts to increase morale and reward staff in alternative ways through the staff wellbeing programme.

Members reiterated the importance of communications, with a need for staff and the unions to understand the increased funding rate was given with a requirement to increase teaching hours, and ahead of the increase in utility costs.

The impact of the condition survey was considered, with members agreeing this needed further information to fully understand the priorities and financial implications.

Learner number adjustments and the importance of retention and progression was highlighted, with a prudent 85% progression delivering 90 of the required increase, making the increase more achievable. Members acknowledged the improved student experience and internal systems for progression should deliver higher levels of progression, however, accepted the need to be prudent.

HE was again reviewed in detail. Members were assured that the projections were the worst case scenario, with plans to build in costs relating to the new strategy as the provision is reviewed, with assurances that this will be accurately costed.

Members commended the approach, agreeing that the needs of the locality outweighed the desire to fill a HE centre. The profitability of each area and course was reviewed in detail, with assurances provided by the new software as recommended by the FEC. Members were advised some courses ran at reduced margins for social or moral reasons. Members highlighted the issue of low margins in year one leading to potential losses in year two, with assurances from the intelligence provided by the software ensuring this is factored in. Members also highlighted the negative impact on student experience when numbers are low, which in turn affects attendance and attainment, which could adversely affect future recruitment.

Members interrogated the apprenticeship projections, with information provided relating to the post-Pandemic increase which may have been attributed to two years of recruitment in a single year, therefore prudence is applied in projections for the coming years.

Members discussed the increased funding from standards and impact of the local demographic, with a large number of SME and micro businesses and plans to look more broadly and improve the employer experience.

Members again noted the need to address planned and reactive maintenance, urging the SLT to consider the priority of any health and safety related requirements whilst considering sustainability and the student experience.

The Dir. Finance and Facilities concluded by summarising all assumptions and adjustments made since May, whilst detailing the savings targets and highlighting reducing cash balances, which were noted as concerning by members. The loan repayments were considered to impact cashflow from 2023 onwards, with the financial impact of retention issues at £350,000 also highlighted.

Members expressed concern over any delays in delivering on the savings targets, with delays reducing the impact of saving and increasing the requirements for cuts in future years. Members challenged the driving and delivery of the savings, asking for steer from the Principal to ensure options are reviewed at pace to ensure the impact can be in-year. The Principal assured the Committee of the objectivity of the SLT who made evidence based decisions and had demonstrated objectivity during recent cost saving exercises. The Principal assured the Committee that she would be supporting the discussions and although it would not be easy following a number of cuts in recent years, she would ensure there would be no delays if making formal proposals, with some areas of consideration outlined.

Principal/
Dir. F&F

The Dir. Finance and Facilities was thanked for the clear presentation of the data and underlying evidence, with Chair summarising the need for more students, good retention and the efficient use of resources.

Item 10.3 - Approved: The Committee resolved to recommend for approval the Financial Forecast 2022/23 to 2025/26.

R.22.102 Item 10.4: Risk Management

The Dir. Finance and Facilities summarised the report, highlighting the two new risks, related to wages including the real living wage and the need to be competitive, with the second new risk around estates related needs including the cost of improvements.

Members highlighted the impact of many years of neglect in relation to some areas of the college buildings, which was now impacting on current budgets.

The Clerk clarified the elements for approval within the report, with approval given by members.

Item 10.4 - Approved: The Committee resolved to recommend for approval the Financial Risks and Risk Sensitivity Analysis.

R.22.103 Item 10.5: Update Against Actions in Relation to Strategic Objective 4

The Dir. Finance and Facilities summarised the report, including the progress made by the new Head of IT, with a full IT strategy and update due to the Committee in November, following the internal audit.

Item 10.5 - Noted: The Committee resolved to accept the update.

R.22.104 Item 11: Health and Safety

The Dir. Finance and Facilities presented the report, with members highlighting improvements in the information presented, which now included all expected elements, however, asked for further report writing training for the author to ensure it remained factual and concise.

Dir. F&F

Improvements to meetings and proformas were summarised, with training planned for all staff to ensure incidents and near misses are reported.

The fire caused by solar panels was discussed, with governors informed that the panels could not be removed as they were part of the roof, however, had been disconnected to mitigate any further risks.

Item 11 - Resolved: The Committee resolved to recommend the report to the Corporation as essential information.

Item 12: Accommodation And Estates

R.22.105 Item 12.1: Accommodation Strategy Update

The Dir Finance and Facilities summarised the report, with members continuing to consider the impact of low utilisation and costs of maintaining two large sites.

Item 12.1 -: The Committee resolved to note the update.

R.22.106 Item 12.2: Estates Strategy

The Dir Finance and Facilities summarised the process and support utilised for drafting the Strategy which was presented for consultation, again highlighting the challenges of two low utilisation campuses. Members were informed of the capital bid process, which would always expect alternative options to have been explored, with this needing to be incorporated into the consultation.

Five options were outlined, including the demolition of the West Wing at KGV, to be replaced with a smaller more fit for purpose building.

Members asked for clarity around what was expected of them in terms of consultation, agreeing to hold the next meeting at the KGV site to allow for a tour and review of the areas being considered. Concern over funding of the projects was expressed, with the Dir. Finance and Facilities confirming the strategy and consultation would enable them to progress with applications for capital bids.

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Members concluded a working group should be set up, to include an invite to all members of the Board, noting the plans incorporated curriculum aspects, therefore it needed to be proposed at the next meeting of the Board on July

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6th. Members agreed the Strategy was well written, with clear proposals, however found it difficult to consider without more detail of the available funds open for bids. They agreed to progress quickly with the working group, meeting in September, with a view to the Strategy being finalised for approval in November.

Members discussed the impact of room utilisation and damage to recruitment in bringing the sites together, noting the FEC had also said this would not be a good option, however, members agreed to keep this under review, whilst prioritising filling the space rather than condensing the sites into one campus.

Other options including partial demolition and sale of some unused areas were also debated, however, expected to be difficult to progress, with it considered to be more effective to close off some areas and concentrate maintenance on the utilised space, noting the challenges with this at the Southport site.

Members again asked for more details of the £10,600,000 condition improvement works to with their understanding of the cruciality, timing, and consequences of non-completion. Members were advised that this would be drafted once the relocation works complete in August and would be reported in September.

**Dir. F&F/
Head of
Estates**

Item 12.2 - Approved: The Committee resolved to recommend to the Corporation a working group is set up to review and consult on the Estates Strategy.

R.22.107 Item 13: Sustainability Strategy

Members commend the Dir. Finance and Facilities for the work that had gone into the drafting of the strategy.

Members were informed a focus group would be set up, with plans for stakeholder feedback through a survey to students in the new academic year, along with a regular newsletter. Members were reminded that young people had been the driving force of the sustainability agenda, therefore the strategy would evolve as more input is received.

Members acknowledged that the college had been behind in implementing the strategy for carbon reduction, however, were assured by the road map that by Easter, they would be on track against sector progress.

Members discussed the curriculum aspect and were advised this had been built into the tutorial programme.

Item 13 - Approved: The Committee resolved to recommend the strategy to the Corporation for approval

R.22.108 Item 14: Terms of Reference

The Clerk confirmed that due to in-year updates, there were no further updates recommended.

Item 14 - Approved: The Committee resolved to recommend to Corporation the ongoing use of the current Terms of Reference.

R.22.109 Item 15: Calendar of Reports

The Clerk highlighted the aspects for review, with the calendar amended in line with member requests, which included less frequent action plan updates, and the maintenance of a number of standing items.

Item 15 - Approved: The Committee resolved to approve the work plan for eth Committee for 2022/23.

R.22.110 Item 16: Items to be Reported to the Corporation

The Clerk summarised the information as reviewed in the meeting that the Committee should consider presenting to the Corporation as follows:

- Learner Support Funds Policies: for approval
- Financial Benchmarking: for information
- Financial Forecast for 2022/23 to 2025/26: for approval
- Estates Strategy: for consultation, to include inviting members to join the working group
- Sustainability Strategy: for approval
- Resources Committee Terms of Reference: approve the ongoing use of the TOR updated in-year
- Annual Health and Safety Report: for essential information

Members agreed in the interests of document minimisation, no other items needed to be recommended for information.

Item 16 - Resolved: The Committee resolved to present the information to the Corporation as detailed above.

R.22.111 Item 17: Date Of Next Meeting (And Closing Comments)

Members noted the next meeting date would be approved as part of the calendar of meetings in the Board meeting on July 6th.

The Chair highlighted how the meeting had run over, due to constructive high-quality debate and challenge, expressing her gratitude for the contributions of all members. It was agreed that the financial presentation had been informative and supported members in fully understanding the forecasts and underlying assumptions. The Dir Finance and Facilities was asked to repeat the presentation to the Corporation, with it agreed this would take place immediately ahead of the Corporation meeting.

Item 17 - Noted:

The meeting closed at 7.30pm