

**Minutes of the Resources Committee Meeting held in room S7 at KGV
Tuesday 4th October 2022 scheduled for at 5pm, starting at 5.15pm**

Present: Christine Bampton (Corporation Chair)
Michelle Brabner (Principal)
Rob Firth (Independent Member) (up to item 9.5, delivered at the end)
Alex Gamil (Committee Vice Chair as elected under item 3)
Alex Kenny (Committee Vice Chair)
Paul Walker (Committee Chair)

In Attendance: Paris Bonwick – Assistant Principal (MIS and Apprenticeships) (except 9.5)
Alison McDowell – Head of Personnel and Payroll (except 9.5)
Stephen Musa – Assistant Principal (Student Experience and Welfare) (except 9.5)
Victoria Wickington – Assistant Principal (Teaching, Learning and Quality) (except 9.5)
Kevin Williams - Director of Finance and Facilities
Andrew Winrow – Head of Finance (except 9.5)
Lisa Farnhill – Clerk

Apologies: Margaret Boneham (Independent Member)

Absent:

Minute No.	Minutes	Action
R.23.01	Open and Welcome The meeting was preceded by a working group of the Estates Committee. The Corporation Chair welcomed everyone to the meeting, thanking members and attendees for their time, noting the late start due to the depth of discussions during the meeting of the Estates Working Group.	
R.23.02	Item 1: Apologies for Absence The Clerk detailed the apologies, confirming members had been given the opportunity to put forward comments or questions. The meeting was confirmed as quorate and the apologies were accepted by the Committee. <u>Item 1 – Accepted</u>	
R.23.03	Item 2: Declarations of Interest No interests were declared. <u>Item 2 - Noted:</u>	
R.23.04	Item 3: Appointment of a Committee Vice Chair	

The Chair invited interested parties to self-nominate. Alex Gamil clarified the responsibilities of the role and put herself forward. The nomination was unanimously approved by the Committee.

Item 3 - Approved: The Committee resolved to approve the appointment of Alex Gamil as Committee Vice Chair for 2022/2023.

R.23.05 Item 4: To approve the minutes of the meeting held on 28th June 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.

Item 4 - Approved: The Committee resolved to approve the minutes as a true record for the meeting held on 28th June 2022.

R.23.06 Item 5: 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.

Members were asked if they wished to discuss any points from the updated marketing strategy as provided as an annex to the report by the AP Student Experience and Welfare, with nothing raised, the item was noted.

Item 5 – Noted: The Committee resolved to accept the details of the actions report.

R.23.07 Item 6: Confidential Business

6.1 - Identify any minutes that need to be regarded confidential

The Committee confirmed nothing in the minutes needed to be redacted.

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

Members confirmed the discussions relating to staff pay under item 9.5 would need to be held without the presence of staff. Members agreed to review this at the end of the meeting.

Item 6 - Resolved: The Committee resolved to approve the publication of the minutes and to discuss item 9.5 without the presence of staff.

R.23.08 Item 7: Enrolment Report

The AP Student Experience and Welfare summarised the report, highlighting key enrolment data for all levels across the two sites. Members were assured of cleaner data, updated regularly to prevent spikes in enrolment and removals. Members were informed this would also facilitate more accurate comparative figures when reporting in future years. Members were informed that in previous years students on some courses had been included in KGV enrolment figures, despite being enrolled at Southport due to TU targets and reporting requirements. Members confirmed that within the report, there were two sets of data, which included a set with 2021/2022 enrolment data as it had been previously reported, and one adjusted to head count data to support accurate comparisons.

Members reviewed the historic trends, noting increases at KGV, with a steady decline at Southport which had been stemmed in 2022. Members asked what had driven the improvement at KGV and if this could be used to support improvements at Southport, with the branding and reputation considered to have been key to driving up applications.

Concerns over AEB enrolments were detailed, noting the data needed validating, therefore it was unclear if this was on track.

Members were assured that although there was a reduction in Adult Learner Loans, the financial target had been met, and there would be additional enrolments in January.

HE was noted to have exceeded the target that had been adjusted down in June, with a further increase since the report had been drafted.

Members highlighted the need for strong retention, expressing concern if withdrawal rates increase as enrolment was close to the financial target, being those still enrolled at day 42. Members noted the difficulty in comparing conversion rates and retention rates before the census date due to the unclear data from previous years, resulting in difficulties in forecasting the likelihood of meeting the financial target. Members were assured that funding claims had been accurate as the information at census point had always been accurate, being the only reference point for comparisons to previous years.

Members were assured that the process implemented this year by the new AP MIS and Apprenticeships to cleanse the data, meant there was integrity in the figures reported, with those students that had left or never attended having already been removed. Members were informed this meant it was unlikely there would be significant shifts in enrolment figures as seen previously. Members noted that although students were still withdrawing, there also continued to be enrolments, including those that enrolled, left then returned, resulting in relatively stable numbers, with the Dir Finance and Facilities sharing the spreadsheet he used for daily tracking.

Members thanked the team for their determination to improve the data, however, highlighted the need for excellent classroom experiences to ensure retention rates, accepting that the next meeting would be the first opportunity to review data that would confirm funding for the next academic year.

A members suggested the focus on improving enrolment at KGV since the merger had allowed the decline at Southport, asking if earlier accurate data could have prevented this. Members reviewed the data graph which showed the decline then rebound at KGV, with a gentle decline at Southport, noting the impact of the Ofsted and merger for KGV, without the same ability to apply cause and effect to the decline at Southport. The Committee was assured that this had not been hidden, however, perhaps masked by the way data had been reported, which would not happen now with accurate and transparent reporting and earlier data cleansing. Members were informed the graph had also been shared with staff.

Members concluded by agreeing that the branding and marketing of Southport needed to be stronger without retracting focus from KGV, agreeing removing HE from the reporting figures was essential to clearly define the offer, and provide clarity of data.

Item 7 - noted: The Committee resolved to accept the update subject to continued focus on retention and recruitment.

R.23.09 Item 8: Employer Engagement Strategy

The AP MIS and Apprenticeships informed the Committee that this was a new strategy, outlining the underling actions to grow, promote and celebrate the work of the College. Committee members agreed there was a need to focus on improving the reputation and awareness of the college within the local community, asking if staff visiting employers could provide feedback, including employer perception of the college offer.

**AP MIS &
Appren.**

Members asked if there were any success measures for the strategy, to support in understanding the goal and measuring achievement against it. The AP MIS & Apprenticeships explained that there were targets, including work placement, growing apprenticeship numbers and the financial targets, however, these were not included as the college intended to share the strategy with employers. It was agreed this would be added to the executive cover, to be updated ahead of being available for review by the full Corporation.

**AP MIS &
Appren.**

Item 8 - Approved: The Committee resolved to approve the strategy advising the Board this has been approved.

R.23.10 Item 9: Finance

Item 9.1: Management Accounts - July

The Head of Finance summarised the information, with the Dir. Finance and Facilities confirming that May and June had not been circulated.

Members were informed the figures had been given to the auditors, with sign off in early December.

The summary highlighted the improved position, with outstanding health for 2021/2022 due to the release of the clawback of £300,000 that had been prudently withheld.

Improved EBITDA, cash balance and cash days were highlighted, whilst noting reduced income compared to forecast, with it explained that this was due to reduced HE income and lower than forecast apprenticeship enrolments, offset by savings in salaries and reduced expenditure overall.

Members discussed the impact on the balance sheet caused by shifts in pension deficit, advised this was a sector wide issue. Members noted a positive variance of £10,000,000 this year, accepting that it distorted the balance sheet but had to be included. Members were assured that the college was not adversely affected, unlike those whose banking covenants were impacted by the shift.

Members clarified that the financial health would be a strong good even without the impact of adding back in the clawback, commending the work of staff in getting to this healthy position. It was acknowledged the temporary impact of the outstanding financial health, would have a negative impact in relation to staff pay discussions, noting that this would only be public information when the CFFR is submitted and audited financial statements are published in December.

Members asked if the impact of rising energy costs had been factored into the forecasts, and were assured by the building in of additional £140,000 since January and the joining of a consortium, with the deal reviewed and endorsed by an independent advisor.

Members asked if the improved position would prevent the anticipated drop in cash that had been projected, and were advised there would still be a drop in two years to £2,900,000 in July 2025 based on the current cash position and forecast budget, with the loan repayments impacting the cash position.

Members asked if there would be the opportunity to discuss with the ESFA changing the loan to a grant, based on other colleges having received grants whilst Southport had only had a loan. The Dir. Finance and Facilities said it would be unlikely, however, they had considered taking a private loan from a bank, to reduce the reporting burden and improve the cash position by taking the loan over a longer repayment period, however, now felt recent surges in interest rates may make this unfeasible.

Members thanked the Dir. Finance and Facilities and Head of Finance for the clear presentation of the information, reiterating the need for quality provision to facilitate a growth in student numbers and ensure financial sustainability. Members concluded by thanking the finance team for their prudence, whilst acknowledging efficiency was necessary, insisted cutting costs was not a sustainable strategy, as it would eventually impact quality, with the preferred strategy one of growth leading to innovation.

Item 9.1 - Approved: The Committee resolved to approve the Management Accounts.

R.23.11 Item 9.2: Budget 2022/23 Savings Update

The Dir. Finance and Facilities provided the update, assuring the Committee that the savings target of £220,000, including £160,000 of staffing savings had been addressed at pace, with £190,000 of staffing savings identified.

A summary was provided, including non-pay savings, which were also on track. Members thanked the Dir. Finance and Facilities and Principal for their work and update.

Item 9.2 - Noted: The Committee resolved to accept the update.

R.23.12 Item 9.3: College Financial Forecasting Return (CFFR) and Market Oversight Team (MOT) Returns

The Dir. Finance and Facilities informed the Committee that a full update would be undertaken at the half year, to take into account the post census enrolments, to ensure the 2023/2024 income projections would be accurate. Members were advised that although data was cleaner than in previous years, unpredictable enrolment and withdrawal patterns made it difficult to project final numbers, noting KGV continued to cleanse data more efficiently than Southport.

The Dir. Finance and Facilities indicated he was taking a pessimistic position, anticipating a shortfall of 28 learners, with a reduction of £140,000 in income, however this would not be fed in until the half year.

Members noted the only update was the addition of £50,000 of capital works following a slip in summer works, concluding in August.

Members expressed concern over the financial impact of failing to meet enrolment targets, proposing this would be easier to track with accurate data and accessible dashboards so that decisions and questions are based on facts, asking for an update in relation to the dashboard.

The AP MIS and Apprenticeships confirmed data cleansing undertaken would ensure the information for the dashboards would be accurate, however, there was now a need to outsource the building of the dashboard due to staffing changes. Members clarified this had been built into the budget and would provide accurate summary data for senior staff and members to base decisions on.

Members concluded by noting the uncertainty around staff pay and energy remained a concern, with the purchase of a spreadsheet to support with profiling the impact of hourly paid staff.

Item 9.3 - Noted: The Committee resolved to note the update, agreeing to present this to the Corporation as essential information.

R.23.13 Item 9.4: HE Tuition Fees and Refund and Compensation Policy 2023/2024.

The AP Teaching, Learning and Quality confirmed there were no updates proposed to the policy, highlighting the pause on HE recruitment for most courses, with the offer under review.

Members clarified the fees were for the next academic year, for which the curriculum offer had not yet been formulated, asking if the offer would impact the fees. The Committee were assured the proposal would not affect the fees, with these largely externally dictated.

Item 9.4 - Approved: The Committee resolved to recommend the unamended policy to the Corporation for approval.

Item 9.5: Staff Pay Award has been redacted for the public minutes

R.23.15 Item 10: Staff Survey Outcomes

The Head of Personnel and Payroll informed the Committee the survey had taken place in June and was benchmarked and facilitated by York College. Members were reminded the previous year had seen disappointing response rates and negative responses. Response rates had increased from 31% to 36%, described as disappointing considering the strategies to increase participation, which were outlined and included advising of changes made following feedback from the last survey detailed in the email requesting completion. Members noted that although return rates remained low, responses were more positive.

A further suggestion to be considered to increase participation was to outline what had not changed following feedback received with an explanation as to why, with anonymisation also considered to be a barrier to completion.

Final discussions centred around timing and consideration for running a series of smaller surveys, with the validity and benefits of comparative data and benchmarking brought into question.

Item 10 - Noted: The Committee resolved to note the update.

R.23.16 Item 11: Accommodation Report

The Dir. Finance and Facilities summarised the report, including details of the summer works completed.

Members noted the strategic development fund would be used for the installation of electric car charging points, with a tight deadline for completion, with updates to workshops outlined as part of the incremental development plans for Southport College.

The Committee received an update on progress with the clock tower repairs, which had been delayed due to difficulties in access, with this now having been taken down to be repaired offsite.

The item concluded with the Dir Finance and Facilities confirming the plan was to revert to repair and maintenance at the Southport site, with the strategy to be approved in November.

Item 11- Resolved: The Committee resolved to note the update.

R.23.17 Item 12: Risks Related to Resources

The Dir. Finance and Facilities summarised the overall changes, to the risk register, along with outlining the risks related to the committee, noting 16 of the 27 risks and 4 of the 5 high risks aligned to the Resources Committee,

Members noted increased risk ratings in relation to recruitment of key personnel, the rising cost of energy and competitive staff pay.

Members challenged the rhetoric around the risk of inspection, highlighting how this was only in relation to the impact on students, in relation to quality of provision and in relation to retention of good staff rather than being concerned about the grade itself, whilst accepting this would impact recruitment.

When discussing outcomes and the impact of this, members accepted the need to be realistic, to note previous issues and make improvements, with staff agreeing there needed to be and would be immediate remedial works. Members insisted a positive experience should be considered as the most effective marketing tool, with this a priority in mitigating recruitment risks.

Item 12 - Noted: The Committee resolved to accept the update.

R.23.18 Item 13: Annual Assessment of Committee Performance

Members acknowledged that improvements were required in relation to oversight of the IT strategy, which had not been reviewed in 20/21 or 21/22,

however, the Committee noted that they had interrogated this and ensured that this was being progressed, with delays as a result of staffing changes in the department. The changes to processes for the reviewing of Management Accounts were considered to be an improvement, however, members agreed that this needed to be tightened. The final improvement, in relation to papers was accepted to be a working progress for all committees, with considerable improvements made, with this being a commitment to continue to provide feedback, rather than indicating there were any remaining significant issues.

Members highlighted how effective questioning and responses were within the committee, evident of a supportive culture, open to continuous improvement, with a continual focus on maintaining a student perspective and the longevity of the college.

The Dir. Finance and Facilities informed the Committee that the Head of IT had tendered his resignation, therefore, it was likely there would be a further delay in drafting and implementing an IT strategy, with a need for a permanent replacement to draft and deliver the strategy. Members agreed this was a priority over the timeliness of the strategy.

Members were assured by actions to ensure continued service whilst the recruitment process is underway.

The IT link governor was invited to support with the recruitment process, with the staffing changes considered to be an opportunity to review the college's approach to IT services.

Item 13 - Approved: The Committee resolved to approve the self-assessment, accepting the areas for improvement and committing to work towards these in 2022/23, whilst accepting there may be a need to carry forward the IT action, depending on the timing of the IT appointment.

R.23.19 Item 14: 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:

- The Committee would inform the Corporation of their approval of the Employer Engagement Strategy, advising it is available from the Clerk for review, but not to be included in the pack
- CFFR and MOT reports would be presented as essential information
- HE Tuition Fees and Refund and Compensation Policy 2023/2024 would be included for approval

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

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

R.23.20 Item 15: Date Of Next Meeting (And Closing Comments)

Members noted the next meeting was confirmed to be Tuesday November 22nd, at the Southport College site. Members were thanked for their time and attention across the Committee and working group.

Item 15 - Noted:

The meeting closed at 7.25pm