



433 PRELIMINARY PROCEDURAL MATTERS

433.1 Attendance, Apologies for Absence & Chairing

Members Present: Nick Buckland
Jo Dyne (Chair)
Patience Egbo
Tony Medhurst (Principal)
Cecilia Mutuma

In Attendance: Andrew Clare (Deputy Principal Finance & Resources)
Jayne Chaplin (Clerk to the Corporation)
Karen Fleet Director of Human Resources & Corporate Development

Apologies: Sophia Howells

433.2 Declaration of Interests and Part 2 Agenda Items

Declarations of interest were received from Andrew Clare as a Director of CK Assessment & Training Ltd and HRG Ltd and Tony Medhurst as a Director of CK Assessment & Training Ltd.

It was **RESOLVED** for Items forming Part 2 of the Agenda to be taken as confidential items.

433.3 Minutes of the Resources Committee, 5 February 2025 & Matters Arising

430.3a Minutes

The Minutes of the Resources Committee Meeting held on 5 February 2025 were agreed as a correct record and the application of the Chair's signature was authorised.

433.3b Matters Arising

Following up on the two ongoing matters:

- The position with the Land Registration (Minute 369.3) was noted to remain unchanged
- Members were advised that whilst confirmation was awaited from the ESFA of its Financial Health Assessment (Minute 1410.2), there had been communication from the Bank in the meantime regarding an issue raised by its Credit Team about the covenant concerning repayment of the Loan, despite Audit testing based on the annual accounts confirming compliance. Observed to be an internal technical matter for the Bank, it was reported that following the submission of further documentation, a waiver was to be issued with no further action currently required. It was agreed however that members would be updated in the event of any further developments

Then acknowledging all other matters to be the subject of discussion elsewhere on the agenda or for report at a later date, it was confirmed that there was nothing further on which to report.

434 GROUP PERFORMANCE: THE COLLEGE

Reports were presented in respect of:

434.1.1 2024/25 Financial Performance & Developments

a Financial Report February 2025

In the context of the Group Budget approved in July 2024, setting a target operating surplus for the College of £393k, the position to the end of February 2025 was reported to be £394k ahead of budgeted expectation.

Reviewing the key changes highlighted in the Quarter 3 Forecast, discussion and questioning included:

- 16-19 income noting the release of the provision held back due to uncertainty around T Level recruitment and potential clawback after subsequent confirmation of a lesser sum
- Expenditure, particularly increased staff cost, noted to be attributed to the combined impact of vacancies and new roles to support increased student numbers, in parallel with NI changes with confirmation of the support still awaited and the Pay award, both effective from April 2025. In the context of the staff pay award, members reflected further on vacancies and staff turnover, questioning the positive impact of the pay award on staff retention. After reporting that turnover was slowing, observing it to be reflective of the market in general with the impact yet to emerge more fully, members then reflected on the opportunities it potentially presented for the College
- Progress with additional in-year funding following delayed communications. It was noted that following the recent ESFA announcement of the introduction of a new affordability factor with funding now at two thirds of the eligible amount, a College allocation of £400k was expected rather than the c. £600k - £650k originally anticipated. Reflecting on the potential for future growth, members were advised that whilst forecast, it was a greater risk going forward.

Then highlighting the impact on planning of the uncertainty resulting from the lack of detailed information and the imperative for this to be forthcoming to be able to formulate plans, it was noted that this was not expected now until June.

After then providing clarification to some further points of details, the year-to-date position was noted.

b Sub-contracting Update

Reporting on the year-to-date position for College Sub-contracted activity, progress was reviewed with Apprenticeships, AEB and Programmes of Study and partnership activity.

Performance was confirmed to be in-line with profile with no contract variations proposed. Activity was summarised and reviewed. Members then:

- In response to questioning of the partnership with Cidori, noted activity to date and that discussions were ongoing regarding activity into 2025/26 with confirmation in this regard to be provided in due course
- Considered the updated Supply Chain/ Subcontractor Fees & Charges Policy, noting amendments mainly to be to dates and titles, and minor rewording of text to ensure practice remained compliant with current requirements.

After discussion, it was **RESOLVED** to **RECOMMEND** for the Corporation to:

- **APPROVE** the updated Supply Chain / Subcontractor Fees & Charges Policy

434.1.2 2025/26 Financial Planning

a. 2025/26 – 2027/28 Financial Plan & 2025/26 Budget Assumptions

In the context of the Financial Plan approved in July 2024 and those Funding Allocations known for 2025/26, the updated Plan and the Budget assumptions for the forthcoming year were summarised.

After acknowledging the approach taken overall to achieve sustainability through growth delivered over the Plan, to maintain a financial health rating of “outstanding” and the need to achieve a Group profit to reinvest into facilities, the Budget Assumptions were summarised and discussed:

- Recognising, ahead of confirming the final position for the Plan and the 2025/26 Budget, the potential for the options presented to be revisited and adjusted to reflect any outcomes from the curriculum planning process and the impact of the continued and significant market changes and challenges
- Acknowledging the change of government and priorities and delays in key capital and revenue funding announcements, and the impact on planning despite total funding and allocations for Education for 25/26 increasing. Members were advised that whilst now received, the impact for the College of its allocation was still being analysed
- Reflecting further on the key assumptions, members particularly noted the potential for the provision for Capital investment and Pay to change with confirmation of grant funding and NI support awaited. Then, in the context of the NI and minimum wage increases, it was confirmed that discussions would be taking place with College service providers, in response to requests for support in this regard, to avoid disruption to services.

Following review, it was **RESOLVED** to:

- **RECOMMEND** for the Corporation to **APPROVE** the 2025/26 – 2027/28 Financial Plan and 2025/26 Budget Assumptions.

b. Fees Policy

Outlining the approach to fees associated with academic provision in-line with funding body guidance and usually reviewed at this point in the year, members were advised that with final details awaited, the College Fees Policy was delayed and would be presented at the June meeting .

434.2 Business & Compliance

a. Business: Human Resources & Corporate Development - Spring Term Update

Developments and activity were summarised. Review included:

- The Key Performance Indicators, particularly noting whilst below the rate recorded for the same period in the previous year, sickness absence rates above benchmark, and the decline in sickness trigger compliance. Responding to questioning, it was noted that data showed no particular trends and absences to be short-term explaining how the return-to-work process was identifying the emergence of any specific reasons. Also observing how Probation compliance remained below target, the increased workload for managers was highlighted, confirming options were being considered to facilitate improvement.

Then recognising staff turnover to be lower when compared to the same period last year, the emergence was noted of a positive impact on staff retention, attributed to the overall approach to making staff pay and benefits more attractive

- Questioning and discussion of the employment relations matters highlighted, noting it align with experience elsewhere and potentially to reflect a greater propensity for staff to articulate dissatisfaction, especially in longer-standing staff, confirming that an update would be provided on any developments
- The overview of Continuous Professional Development activity, particularly recognising and commending the positive feedback from the recent Staff Conference

Following discussion, the update was noted.

b. Compliance – Health & Safety

In the context of the Corporation's overall responsibility for health and safety:

- The updated Health & Safety Policy was reviewed. Confirming the College commitment to and arrangements and processes for safeguarding and promoting health, safety, and welfare, the amendments were summarised, noting these to be minor in nature to clarify and/or amplify existing provisions and responsibilities
- Members were advised of the conclusions and findings of the recent Internal Audit Health & Safety Check undertaken as part of the Internal Audit Plan for 24/25. After acknowledging the review purpose had been to confirm that there were sufficient health and safety practices in place, including a health and safety policy, members noted the Reasonable Assurance and the overall conclusion that there were sufficient health and safety practices in place. The recommendations then were considered. Observing the narrow focus of the review members concurred with the observations of the Audit Committee, sharing its conclusion about the approach to and rationale for the Assurance provided in the context of such a limited focus and the nature of the points raised. It was agreed that the Committee's feedback would be provided on that basis.

Following discussion, it was **RESOLVED** to:

- **RECOMMEND** Corporation **APPROVAL** of the updated Health & Safety Policy.

c. Compliance – Governance

Following up on those recommendations relevant to the Committee from the external review of governance:

- There was consideration of the suggestion for the Year-End Financial Statements and External Audit findings to be reviewed by presentations to joint representatives of the Resources and Audit Committees, recognising it now to be more common practice across the FE sector. After observing the distinct functions of the respective committees, and the importance of the Audit Committee's independence, there was discussion of the practicalities in the context of management time and any value gained in changing the current arrangement. Concurring with the observations of the Audit Committee that any duplication of activity would be minimal and such a change instead would increase the demand on members' time, it was agreed to convey to the Corporation its conclusion, for existing practice to be maintained.

- It was noted that Committee memberships were under review as part of succession planning and arrangements for 25/26 and once clearer, proposals would be presented regarding committee quorums and any potential expansion of remits to assume additional responsibilities

435 OTHER BUSINESS & NEXT MEETING

435.1 Any Other Business

None advised.

435.2 Dates of Next Meetings

Wednesday 25 June 2025, 5.30pm

Approved