

Present: Matthew Adams, James Adnett, Paul Cumming, Tom Gregory, Sam Lifford and Ed Senior.

In Attendance: Jane Jenkins (Vice Principal Curriculum), Andrew Leyland (College/MAT Accountant) and Jo Payne (Clerk to the Local Governing Body)

1. Apologies: Phil Douce.

2. Standing Items

- (i) No declarations of interest were made.
- (ii) No items were identified as confidential.
- (iii) No urgent items were declared, although the Clerk advised that an additional item would be tabled in connection with the Sustainability Policy.

3. Minutes

(i) Minutes of the Finances & Resources Committee: 9th November 2022

The minutes of the meeting were **confirmed** as a correct record and will be signed by the Chair in due course. An update was provided on the action points as follows:

- The Principal attended a meeting about transport hosted by Harriett Baldwin MP. Local councillors were interested in how to respond positively to concerns about bus services;
- James Adnett completed a link visit meeting with the Equality and Diversity Co-ordinator and the report will be presented to the Local Governing Body;
- Whilst the outcome of the systems penetration testing had been requested this had not yet been shared;
- In relation to quantifying the number of trips and the students participating in them, it was noted that 15 trips involving 432 students had taken place between September and December this academic year compared with 9 trips involving 252 students over the equivalent time period last year;
- An update on progress against the previous equality aims will be shared by the Clerk.

The Committee **noted** the information provided.

(ii) Public minutes of the Fitness to Study Appeal Panel: 16th January 2023

The recommendations of the Fitness to Study Appeal Panel hearing were presented and it was suggested that the College:

- Review the online application form to ensure potential students have the opportunity to indicate the scale and scope of any disclosed condition or learning need and, in particular, whether this has required medical treatment;
- Consider communication with applicants' parents where any disclosure is made to provide them with the opportunity to provide further detail and/or identify any reasonable adjustments previously in place where not identified on the application form.

The Committee **noted** the information provided and **agreed** to make the above **recommendations** to the Local Governing Body as advised.

4. Finance

(i) Financial Update

The MAT/College Accountant presented the income and expenditure and the full year forecast. It was noted that:

- The forecast EBITDA of £299,000 is £20,000 higher than budgeted. The forecast for the Cafeteria is a surplus of £49,000 after payroll costs. An enclosed annex is being considered for the Cafeteria aimed at increasing capacity and further boosting income;
- Staff costs show a £33,000 variance allowing for a 5% teaching staff pay rise. The £113,000 variance includes £80,000 for this pay rise;
- Approximately £75,000 has been received towards energy saving measures and it was hoped to find existing energy related capital spend e.g. the installation of a new boiler and within the new science centre;
- Premises other shows a £60,000 overspend reflecting the appointment of a second Site Security Officer and professional fees towards the fire safety CIF bid and T Level preparations;
- The funding allocation for next year is expected imminently which will include the bursary allocation. Free College Meals are being monitored and indicate students are consistently spending less than the £7.50 daily allocation;
- Worcestershire County Council will provide some funding to support the enrolment of Ukrainian students and the College will submit an application;
- Distributable reserves stand at £331,000 of which £100,000 may be needed towards the Cafeteria annex.

In response to governor challenge it was noted that:

- The College had not spent £30,000 as budgeted towards the City Council levelling up bid, this was the contribution that would have been required if successful. The College had spent £6,000 in obtaining valuations for the land to be donated;
- The science centre project is on target to draw down the grant funding, minus a shortfall of around £400,000. The SFCA are lobbying the ESFA in terms of why grant funding cannot be claimed until the completion date.

The Committee requested that further information be shared with them at a future meeting in terms of the MAT balance sheet to better understand the reserves referred to.

The Committee **noted** the information provided and thanked the College/MAT Accountant for his update.

5. Management & Strategic

(i) Principal's Update

The Principal presented his update report and noted the following points:

- Whilst a 2.2% increase in the base funding rate for next year was welcomed and would see funding levels almost back to 2009 levels, it would not cover pay rises or increased energy costs. Funding mechanisms will be changed so that some high premium courses will have their weightings reduced, e.g. Psychology, and reduced funding for advanced Maths premium courses would be an active disincentive for institutions to offer these courses and result in the College losing approximately £178,000 against the £160,000 gain from the 2.2% increased base rate;
- 113 additional students this year compared to last year would mean an additional £500,000 in funding for next year offering some protection from the funding challenges faced. In response to the anticipated increase in student numbers between £300,000-£360,000 needed to be spent on additional staff costs. It was noted that each 1% increase in pay equates to £60,000 increase in staff costs;

- Strike action would cause disruption to students in the run up to external exams which was disappointing. There are three further days of strike action planned for March. The College planned to remain open each day, however, as teachers do not need to tell the College if they are striking, it is difficult to plan to mitigate the impact of this;
- The SFCA and other stakeholders are campaigning to mitigate changes to the curriculum landscape through the removal of applied general qualifications. Despite some indications of a softened approach, the Government intend to proceed with plans which will see only a small number of applied qualifications survive;
- The ESFA funding audit conducted by PWC found non-material errors amounting to approximately £7,000 which is around 0.09% of the College's funding income. The ESFA confirmed that they will clawback this funding;
- The Science Centre build remains on track with the steels installed. Monies must be spent by the end of March with the build completed by 1st September and completion was crucial to the College's response to capacity issues;
- The outcome of a CIF bid for fire safety measures is not yet known. Disappointingly, the College was unable to submit a T Level capacity bid as the project is not sufficiently costly that it would be eligible. The Council application for levelling up funding was also unsuccessful;
- Feedback from the parental survey was overwhelmingly positive. Where more than 10% of parents disagreed with a statement, a response has been shared with parents. Namely this was in relation to subject advice, accessing the Portal, who to contact about their son or daughter's progress and what support was available in relation to progression, in particular, apprenticeships. It has been announced that from next year, applications for apprenticeships will be managed through UCAS although, as yet, it was unknown if this was just for degree apprenticeships.

The Committee shared the Principal's concerns about the changes to funding and asked for clarity about when a judgement would be made about what savings were needed. The Principal said that measures were already being considered, for example, if the College no longer delivered Core Maths, this would result in staff savings of £150,000. A Trust meeting is scheduled for 1st March to consider ways to increase income and reduce costs across the Trust.

The Committee **noted** that information provided.

(ii) Prevent Risk Assessment

The Principal advised that expectation of Ofsted that the College was responding to specific local Prevent risks. As such, the risk of students being subject to sexual harassment/violence or becoming involved in extremism (particularly right wing), county lines or money laundering have been identified in the updated Prevent risk assessment.

The Principal explained the new threat of money laundering and how this operated. The Committee challenged the College to consider how it was educating parents on these risks that could be affecting their son or daughter.

The Committee **noted** the Prevent risk assessment.

6. Employment

(i) Personnel Update

The Principal presented the update report and noted the following:

- A long-standing member of the Student Services team had retired;
- The appointment of a new PA to the Vice Principals had so proved successful;

- The College was looking to appoint new coaches to deliver recreational sport as, unfortunately, the company previously used went into administration in December. It was hoped to replicate the offering next year given how successful this had proved, however, this would also depend on financial viability of this delivery;
- Recruiting cleaners continued to be problematic. Whilst the College did not want to lose its in-house provision, it was hoped that some cleaners to be contracted in to support the team;
- The rollout of the new HR system was imminent;
- Support staff pay rises had been agreed and implemented at a rate of 5% and 8.9% at the lower end of the pay scale;
- The proportion of non-white staff has increased from 1.86% to 2.95%;
- Staffing had increased by 8.5% compared to last year compared to an increase in student numbers of 7.1%. This needs to remain under close review.

The Committee **noted** the information provided and challenged the College to review arrangements to encourage applications from under-represented groups.

(ii) Staff Wellbeing

The Vice Principal (Curriculum) presented her report and noted the following points:

- Wellbeing and workload remains high on the agenda with both the Staff Satisfaction Focus Group and Workload Forum in operation, however, latest staff feedback is not particularly positive about the measures already implemented to address workload;
- A draft menopause at work policy has been produced with the intention of a small working group meeting to consider its implementation. Guidance has been shared with line managers to help them support colleagues as required;
- Staff pulse had been replaced as a means of collected staff feedback with an internal survey to be shared at various points in the year. It is disappointing that feedback continues to suggest that communication with staff needs to be improved given that a weekly all staff briefing was introduced last year and a schedule of regular cross-College meetings in place.

The Principal commented that meetings were moved to ensure the majority take place within the College day as a means of making it more possible for staff to attend and to improve communication. It was the case that the College's steps to reduce teaching caseload from 5 ½ blocks to 5 blocks went beyond other colleges in the Trust. His feeling was that colleagues at the other Trust colleges, however, were more positive suggesting an issue with staff morale.

The Committee challenged the College to consider bringing staff satisfaction questions in line with those asked of other colleagues in the Trust to enable comparison and benchmarking. It was also requested that a means be identified to establish whether the concerns raised were in relation to teaching or support staff. An update was requested at the next meeting.

(Paul Cumming departed at 6.45pm)

7. Property

(i) Estates Strategy

The updated Estates action plan was circulated. Works that were previously been completed have been removed. It noted that the City Council bid for levelling up funding was unsuccessful and the cost of the fire resistance works reflected in the submitted CIF bid had been updated. Two new priority actions had been added which were to fix the water leak in the performing arts/PE corridor and to obtain plans and quotes for a 'lean-to' for the Cafeteria.

The Committee **noted** the update.

(ii) IT Update

The Committee **noted** the contents of the IT update and the progress made in this area.

8. Governance

The Clerk presented her report and noted the following:

- The link governor role for SEND remained vacant and the College continued to seek a replacement Safeguarding Governor. Inspectors identified that ideally the Chair of the Local Governing Body role should be separate from the Safeguarding Link role;
- Imminently legislation will be introduced requiring educational establishments to have a Mental Health and Wellbeing Strategy. The Designated Safeguarding Lead was working to develop this strategy and is completing Designated Mental Health Lead training. It is recommended as part of this that a governor role be introduced with a focus on mental health and the draft role description had been shared. Expressions of interest were invited;
- The Trust had commissioned an external review of governance and, as part of this, auditors would join the Local Governing Body meeting on 1st March and feedback to the Chair afterwards.

The Committee **noted** the information provided.

9. Policy Reviews

(i) Fire Safety Policy

The Committee **approved** the policy without change noting the updated fire evacuation procedures.

(ii) Staff Protection from Harassment and Bullying Policy

The Clerk advised that a Trust policy was in the process of being produced and, once approved, would replace the local policy. As such, the existing policy continued to be fit for purpose and no changes were currently proposed.

The Committee **approved** the policy without change.

(iii) Sustainability Policy

The Committee **approved** the policy without change and noted the updated action plan.

In relation to this, the Clerk tabled a draft Green Travel Plan and explained that this was required in association with the science centre project. The Plan aims to identify progress against the previous plan and identify new actions to address its aims. The Committee reflected on the findings of the staff and student travel survey and that one-third of students travel more than 10 miles to College. Actions to promote increased car share arrangements and the numbers walking and cycling to College were endorsed.

The Committee **agreed to recommend** the Green Travel Plan to the Local Governing Body for approval.

(iv) Student Conduct Policy

The Clerk advised that guidance from the SFCA suggested that, whilst the College did not have a statutory duty to inform the Local Authority about exclusions, it was deemed best practice to do so given their duty to respond to young people at risk of becoming NEET. Worcestershire Children First confirmed that information on students excluded would be welcomed.

The Committee **approved** a change to the policy to reflect the above.

10. Health & Safety

(i) Health & Safety Update and Accident Report

The Clerk presented the health and safety update and accident report. The Committee **noted** the contents of the report.

11. Closing Standing Items

(i) Risk Management:

The Principal presented the risks identified as red/amber post mitigation as areas where governors would wish to focus their challenge and reported the following:

- The College's ability to manage further growth next year is dependent on timely completion of the Science build. Consideration was being given to measures to manage should there be a delay including delaying the start of some enrichment activities;
- It had been identified that record keeping in relation to work placements checks was not good enough and did not enable the College to quickly identify what checks had been undertaken. The action taken in relation to this will be reported in due course and governor challenge in this area was welcomed;
- Student attendance has improved to 90%, however, this had not returned to pre-COVID levels. It was noted that a local school had reported levels of attendance at 89% suggesting that this was an issue not only for the College but also in compulsory education. The College continued to take action to improve attendance, particularly at Level 2 where this was currently at 85%;
- Whilst the College had developed its resilience in terms of IT systems and had done what it was felt was reasonable, cyber crime continued to be a viable threat. IT are undertake phishing simulations in order to develop staff awareness of the risks;
- The impact of the end of the fixed energy costs in April was as yet unknown and remains a risk.

In response to governor challenge it was noted that:

- The College has a power perfecter which reduces the electrical current to its lowest possible level and also has photo-voltaic panels on the roof;
- The building contractors continue to be confident that the project is on track for 1st September completion. The College had explored mobile classrooms, however, the cost to install these made this an unfavourable option hence consideration to late starting provision.

Given the risk to educational establishments of cyber attacks and the fact that the penetration test report had not yet been made available to governors, the Committee tasked Tom Gregory with completing a link visit to scrutinise this area which he was willing to undertake.

(ii) Impact: The Committee's challenge in relation to finances, IT resilience and capacity issues was noted.

(iii) Any Urgent Business: No additional urgent business was identified.

(iv). Date of Next Meeting: Wednesday, 24th May 2023

The meeting finished at 7.15pm

Signed:.....
Matthew Adams (Chair)

Date:.....

FINANCE & RESOURCES COMMITTEE: ACTION POINTS ARISING FROM MEETING ON 15th FEBRUARY 2023

Report Reference	Action Point	Person Responsible	Completion	Check
FRC/15.02.23/4(i)	Provide more information on the distributable reserves.	APL	May 2023	
FRC/15.02/23/5(ii)	Consider how to educate parents on the local Prevent risks, in particular, money laundering.	EYS	ASAP	
FRC/15.02.23/6(i)	Review job vacancy wording to encourage more applications from under-represented groups.	EYS	May 2023	
FRC/15.02/23/6(ii)	Review staff satisfaction questions to allow comparisons with other colleges in the Trust and also to disaggregate responses by teaching and support staff.	JLJ	May 2023	
FRC/15.02.23/(11i)	Link visit to be conducted in relation to IT resilience against cyber threats.	JJP	May 2023	

ACTION POINTS CARRIED FORWARD

Report Reference	Action Point	Person Responsible	Completion	Check
FRC/09.11.22/6(iii)	Request and share with governors the penetration testing report in relation to cyber security.	JJP	November 2022	

ACTION POINTS COMPLETED

Report Reference	Action Point	Person Responsible	Completion	Check
FRC/09.11.22/6(i)	Share details of the 309 Martley service with Paul Cumming.	JJP	November 2022	✓
FRC/09.11.22/8(iii)	Share the Digital Strategy Policy with the committee in full.	JJP	November 2022	✓
FRC/09.11.22/10(ii)	Quantify the number of students participating in trips and visits against any comparative data.	CR	February 2023	✓
FRC/25.05.22/7(iv)	Update progress against the current equality objectives.	SG/LIM	November 2023	✓
FRC/10.11.21/8(i)	Identify opportunity for link visit to focus on the College's equality and diversity provision.	JJP	February 2022	✓

* Denotes changes.