













# Minutes

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## Finance and Resources Committee

### Minutes

<b>Meeting Time and Date</b>	<b>1000 on 25 November 2024</b>
<b>Meeting Location</b>	<b>Teams Online</b>
<b>Members</b>	Peter Doble (Chair)  Lorna Fitzjohn (Vice Chair)  Heather Barrett-Mold OBE  Peter Brammall (Principal)  Mei Lim  Paulina Balogun  Joanne Roxburgh  Zoe Halfyard 
<b>Participants</b>	Paul Smith (Finance)  Ben Burchett (HR) 
<b>Minute Taker</b>	Jennifer Swift (Director of Governance) 

	<b>Action</b>
<b>1. Welcome and Apologies</b>  1.1. Apologies were received for Joanne Roxburgh.  1.2. Paulina Balogun was absent from the meeting. Apologies were not sent in advance of the meeting.	
<b>2. Declaration of Interests</b>  2.1. None.	
<b>3. Minutes (Decision)</b>  3.1. The Chair queried if the tribunal was still planned to take place in February 2025 and it was confirmed that it is.  3.2. The Chair queried that there was a low number of students recruited via the Prince's Trust and the Principal confirmed that there will be attempts to drive this in the New Year and agrees that it is a good way of engaging students.  3.3. The Chair queried how many overseas students the College has on roll and believes consideration needs to be given as to why they pay a higher fee. The Deputy Principal advised that consideration would be given to overseas students/fee income in the summer 2025 fee proposal.  <b>Resolved to</b>  3.4. <b>Approve the minutes of the Finance and Resources Committee meeting held on 19 June 2024 as a correct record and authorise the Chair to sign them.</b>	

<p><b>4. Matters Arising</b></p> <p>4.1. The Chair believes that a decision needs to be made regarding Forty Hall Farm and whether this sits with the Finance &amp; Resources committee or the Estates committee.</p> <p>4.2. The Vice Chair suggested that as Forty Hall Farm has financial implications, that this committee should certainly oversee this on a short term basis. Consideration will be given on how to manage this going forwards.</p> <p>4.3. The Principal confirmed there will be an update on Forty Hall Farm at the next Estates committee and Finance and Resource committee meetings in spring 2025.</p> <p>4.4. A committee member said that it had been suggested that a working group be created and she is keen to be part of this but requests that it is formalised and diarised. The Principal confirmed that it would be helpful for 2-3 Governors who have an interest, to join this group.</p>	<p><b>Principal</b></p> <p><b>Principal</b></p> <p><b>Principal</b></p>
<p><b>5. Human Resources – Update Report (Information)</b></p> <p><b><u>Key Performance Indicators (KPI's)</u></b></p> <p>5.1. Staff turnover for 2023/24 was 23% (up from 21% in 2022/23), above the sector average of 18%.</p> <p>5.2. The average time to recruit was 90 days in 2023/24, consistent with the prior year, compared to the UK average of 48 days. Time to hire for the newly implemented recruitment system (from Sep 24) has decreased to 54 days.</p> <p>5.3. Absence/sickness rates reduced slightly this year. The average sick days per employee was 9.7 days compared to a national average (per CIPD) of 7.8 days. It was queried whether the College are doing anything to help overcome the barriers that may be faced when relying on the NHS. The Head of HR confirmed that colleagues now have access to a GP through their staff benefits platform which can diagnose and prescribe antibiotics.</p> <p>5.4. Mandatory training compliance remains high (91%).</p> <p>5.5. The proportion of teachers with a teaching qualification increased from 67% in July 2023 to 77% in July 2024.</p> <p>5.6. A five module leadership programme is being delivered to approximately 20 Senior Leaders at the College. Feedback has been positive.</p> <p>5.7. The Committee queried when the next staff survey would take place and the Head of HR confirmed that it is planned for the Spring or Summer term and will use the sector recommended surveys. The Chair requested that staff surveys become an annual activity.</p> <p>5.8. A discussion also took place around exit interviews. It was confirmed that although the College does presently use an exit survey, it has limited success. There are considerations around</p>	<p><b>Head of HR</b></p>

<p>making this mandatory and building it into the resignation process.</p>	
<p><b><u>A spotlight on recruitment</u></b></p>	
<p>5.9. Recruitment and retention remain critical areas. This challenge is common across the FE sector. Some actions taken to improve this are improved pay, enhanced staff benefits, long service awards, a new recruitment system, review of job advertising and learning and development opportunities.</p> <p>5.10. The new HR recruitment system was not fit for purpose and although the implementation took a while, this is now proving successful. The average number of applications for a vacancy have doubled and feedback from hiring managers is very positive.</p> <p>5.11. A range of other methods are being considered and these were shared with the Board such as enhanced reporting, a review of teaching utilisation and an increased budget for learning and development.</p> <p>5.12. A committee member queried if there are any incentives for existing staff such as referring a friend. The head of HR confirmed that this is not currently used but he is happy to look into this further.</p> <p>5.13. The staff governor suggested that it would be useful to know why temporary staff choose not to take permanent contracts and suggested whether it may be a pay issue or flexibility issue. High staff turnover and temporary staff disrupt the learning experience.</p>	<p><b>Head of HR</b></p>
<p><b><u>Initial ideas for a new HR Strategy and Plan.</u></b></p>	
<p>5.14. A staff survey was last completed in 2022. 75% of staff had stated they enjoyed working at the College. Areas for focus: work-life balance, staff welfare, communications and leadership/vision.</p> <p>5.15. A prior HR plan was created by the former Executive Director of Human Resources in 2022/23 which much of has been delivered, such as improved employee relations, improved internal communications, a new leadership structure and HR team changes.</p> <p>5.16. In the Staff conference (Summer 2024) key themes included requests for frequent communication, pay improvements and enhanced induction and training.</p> <p>5.17. Responsibility for the HR team transitioned to the Deputy Principal &amp; COO in summer 2024 and work on developing a new people strategy and plan is beginning. This was shared with the Committee for comment. The proposed delivery framework has three key pillars: Strengthening HR Fundamentals, promoting a Learning and High-Performance Culture and Fostering a Supportive and Engaging Workplace Culture. The Committee endorsed the plan. They also requested that consideration be given to a refer a friend scheme to support successful staff recruitment.</p>	<p><b>Head of HR</b></p>
<p><b><u>HR Team Update</u></b></p>	

<p>5.18. The Head of HR (Ben Burchett) was appointed in 2023 and has focused on optimising HR operations, restructuring the team, and implementing the new initiatives discussed earlier.</p> <p>5.19. Two additional administrative roles were added in late 2023, funded by savings on recruitment costs, but the HR workload remains very high.</p> <p>5.20. A HR resourcing review is in progress, with plans to add an HR manager to handle operational HR tasks, freeing the Head of HR to focus on strategic HR development and developing the HR team.</p> <p><b><u>Employment Rights Bill – October 2024</u></b></p> <p>5.21. The Government's Employment Rights Bill, aims to 'Make Work Pay' through multiple reforms, including changes to unfair dismissal rights and statutory benefits. Most reforms are anticipated for 2026, with key changes on unfair dismissal expected no earlier than autumn 2026. The HR team will monitor these developments and prepare as needed over the next 6-12 months.</p>	<p><b>Head of HR</b></p>
<p><b>6. Confidential – Pay Award 2025 (Decision)</b></p> <p>6.1. The AoC recommends a pay award of 2.5% or £750, whichever is greater, based on consultation with unions.</p> <p>6.2. The school's sector has secured a government funded 5.5% pay increase, which has not been extended to Colleges.</p> <p>6.3. Anecdotal evidence suggests many colleges are implementing pay increases close to the AoC's recommendation of 2.5%.</p> <p>6.4. The College implemented a 5% pay increase in January 2024, alongside a one-off payment of £750. Previous pay awards included a 3% increase in January 2023 and 1% in previous years.</p> <p>6.5. Recruitment remains a challenge across the sector. This includes the disparity in pay between the school and college sectors.</p> <p>6.6. Four Pay Award Options have been evaluated:</p> <ul style="list-style-type: none"> <li>a) AoC recommendation of 2.5% or £750, whichever is highest. With continued commitment to the LLW.</li> <li>b) 3% or £750, whichever is highest. With continued commitment to the LLW. Note that an assumed increase of 3% has been included in the 2024/25 budget.</li> <li>c) 4%. With continued commitment to the LLW.</li> <li>d) 5%. With continued commitment to the LLW.</li> </ul> <p>6.7. The SLT and Board have expressed their desire to exceed the budgeted 3% increase if financially viable without jeopardising the College's financial health.</p>	

<p>6.8. The analysis which was presented to Governors demonstrated that Options 1 and 2 would retain a College surplus, whilst options 3 &amp; 4 would move the College into a deficit position.</p> <p><b>Resolved to</b></p> <p>6.9. <b>Recommend to the Governing Body that it confirms the College's commitment to pay at least the London Living Wage to all substantive staff.</b></p> <p><b>Recommend that the Governing Body endorse Option 3 (a 4% or £750 increase, whichever is greater) as the proposed pay award for Governing Body approval.</b></p> <p><b>Ben Burchett left the meeting.</b></p>	<p><b>Governing Body</b></p>
<p><b>7. Report of the Deputy Principal &amp; COO(Decision)</b></p> <p>7.1. The Committee were updated on: The College Balanced Scorecard for November 2024, Accounting ratios for 2024/25, The 2024 Autumn Budget and Major Capital Projects and Funding.</p> <p>7.2. At the AoC conference in November, Julian Gravatt delivered an update on items relevant to colleges. The main points announced by the Government are:</p> <ul style="list-style-type: none"> <li>a) An additional £300 million of revenue funding. The way in which this will be allocated is not yet clear.</li> <li>b) £300 million of new capital funding.</li> <li>c) £40 million to help deliver new foundation and apprenticeships.</li> </ul> <p>7.3. The Principal shared with Governors that one of the main advantages from attending the conference was hearing common practices across the sector. Some key areas the College are looking into further, are the use of immersive learning suites and reorganising timetables to allow for a 4-day week (a practice common in Multi-Academy Trust's) which may help recruit and retain staff.</p> <p>7.4. The Committee asked for an update on T levels as they have noticed that there has been some clawback on this and recruitment has not been as successful as hoped. The Principal explained that as this is the first year they are being run, it has been difficult to predict and there needs to be more prudent budgeting next year.</p> <p><b><u>Major Capital Projects and Funding</u></b></p> <p>7.5. The college is delivering/planning to deliver major building projects to replace poor quality teaching spaces and enhance the overall student experience and an update on the three main projects was shared with the committee. They were also shared with the Estates Committee on 19 November.</p>	

<p>7.6. The Mottingham Phase 1 project is completing, with some minor tasks remaining. The Maple building (Linear Block) has been operational since 30 September 2024 and the Willow building (Welcome Block) since 4 November 2024.</p> <p>7.7. The Mottingham Phase 2 project aims to build upon Phase 1 by delivering 5 new classrooms across two storeys, replacing two existing, low-quality buildings. This aligns with the college's strategy to update outdated teaching spaces with modern facilities.</p> <p>7.8. The revised estimated cost for the project is £2.9 million, up from the feasibility stage estimate of £2.4 million. Landscaping is projected to add £0.1 million, bringing the total project cost to £3.0million.</p> <p>7.9. The proposed funding sources for the project are: GLA grant (£1.2million), FECTF (£1.8million).</p> <p>7.10. The Hessayon Replacement project work continues on design and RIBA stage 2. Current estimate is £3.9 million with funding as follows: £1.3million from FE Capital transformation fund &amp; £2.6million from College reserves (noting that good financial health would be retained).</p> <p>7.11. An update on the ongoing review of Forty Hall Farm was presented to the Estates Committee on 19 November 2024, these are to be tackled as a priority in the coming months. Including: how to make the farm commercially viable, how to increase student learning at the farm and clarity on lease issues. These areas will be a priority for the new Farm manager in the coming months.</p> <p>7.12. The Committee was also informed of other relevant updates such as Technology and Digital transformation, Management information, People and Estates.</p> <p><b>Resolved to</b></p> <p>7.13. <b>Approve the key financial ratios for 2024/25.</b></p> <p>7.14. <b>Recommend the Mottingham Phase 2 Project for approval by the Governing Body.</b></p>	<p><b>Governing Body.</b></p>
<p><b>8. Report and Financial Statements 31 July 2024 (Decision)</b></p> <p>8.1. The College is required to produce financial statements in accordance with United Kingdom Accounting Standards and legislation that conform to guidance issued by the Education and Skills Funding Agency in the form of the College Accounts Direction for 2023-24.</p> <p>8.2. The Committee was reminded that the Audit committee has responsibility for satisfying itself that the following sections are accurate and recommend them to the Governing Body for adoption:</p> <p>a) The Statement of Corporate Governance and Internal Control</p>	



<p><b>10. Fundraising Strategy and Plan (Decision)</b></p> <p>10.1. In recent years, fundraising and donations have not been a primary focus, leading to lower levels of contributions (typically less than £0.1m per annum). However, the college has a history of successfully securing funds to support its development, and there is now an opportunity to rejuvenate these efforts.</p> <p>10.2. A strategy and plan has been drafted and was shared with the Committee.</p> <p><b><u>Key points to note</u></b></p> <p>10.3. 4 channels of fundraising activity are proposed:</p> <ul style="list-style-type: none"> <li>a) Major gifts from individuals</li> <li>b) Donations and sponsorships from organisations</li> <li>c) Smaller individual contributions</li> <li>d) Volunteering initiatives</li> </ul> <p><b>Resolved to</b></p> <p><b>Endorse the direction and steps being taken to progress the plan.</b></p>	
<p><b>11. Financial Principal Risks (Decision)</b></p> <p>11.1. The risks relating to the Finance and Resources Committee were shared.</p> <p>11.2. It was confirmed that the increase or decrease of a risk is portrayed by the direction of the arrow in the table and this was to avoid having to add another column to the table.</p> <p>11.3. The risk of 'Failure to increase student recruitment' has been downgraded as there has been a positive increase seen in both 16-18 and adult recruitment numbers. This will continue to be built on in the current year.</p> <p>11.4. The risk of 'Failure to secure and retain an expert, motivated, high-performing workforce' remains the same as this continues to be a challenge in line with wider sector experience.</p> <p>11.5. The risk of 'Ineffective oversight and control regime leading to financial underperformance' has remained the same.</p> <p>11.6. The risk of 'Ineffective strategies for income growth and diversification' was discussed in today's meeting.</p> <p><b>Resolved to</b></p> <p>11.7. <b>Note and agree to the Finance and Resources Principal Risks.</b></p>	
<p><b>12. AOB</b></p> <p>12.1. None.</p>	
<p><b>13. Date of next meeting</b></p>	

13.1. The next Finance and Resources Committee meeting will take place on Monday 10 March, 2025 at 1000.	
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APPROVED MINUTES			
<b>CHAIR:</b>	Peter Doble	<b>DATE:</b>	
<b>APPROVAL:</b>	<b>Remote confirmation:</b>  <b>Or signed:</b>		