

Minutes of the Resources Committee Meeting held in the Innovation Centre on Tuesday 27th June 2023 at 5pm

- Present:** Alex Gamil (Committee Vice Chair, acting Chair for this meeting)
 Margaret Boneham (Independent Member)
 Michelle Brabner (Principal)
 Alex Kenny (Independent Member)
 Paul Walker (Corporation Chair) (*via MS Teams)
- In Attendance:** Adam Gordon – Health and Safety Officer (item 8 only)
 Stephen Musa – Assistant Principal (Student Experience and Welfare)
 Kevin Williams – Vice Principal Finance and Facilities
 Lisa Farnhill – Clerk
- Apologies:** Rob Firth (Committee Chair - Independent Member)
- Absent:** None

Minute No.	Minutes	Action
R.23.93	<p>Open and Welcome</p> <p>The Committee Vice Chair welcomed everyone to the meeting, thanking members and attendees for their time. It was clarified that online participants could hear and be heard.</p>	
R.23.94	<p>Item 1: Apologies for Absence</p> <p>The Clerk detailed the apologies for absence of the Committee Chair, with the apologies accepted by the Committee. The meeting was confirmed as quorate.</p> <p><u>Item 1 - Noted:</u></p>	
R.23.95	<p>Item 2: Declarations of Interest</p> <p>Standing interests were noted, with no interests declared in relation to agenda items.</p> <p><u>Item 2 - Noted:</u></p>	
R.23.96	<p>Item 3: To approve the minutes of the meeting held on 28th April 2023</p> <p>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.</p> <p><u>Item 3 - Approved:</u> The Committee resolved to approve the minutes as a true record for the meeting held on 28th April 2023.</p>	

R.23.97 Item 4: Actions Summary

The Clerk summarised the report, highlighting actions undertaken and those addressed through the meeting reports, and those outstanding.

The Clerk was thanked for the update and members asked for an update on the pay award. The Principal confirmed that the agreed award had been implemented, with members asking if there were plans in place to commence the next round of negotiations for the forthcoming award. The Principal outlined the Union position, AOC advice and proposed timeframe for discussions and approval and additional considerations, including the date for implementation and communicating back pay entitlements.

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

R.23.98 Item 5: Confidential Business

5.1 - Identify any minutes that need to be regarded confidential

The Committee confirmed the information highlighted 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 publish the minutes with the section within minute R.23.85 redacted.

R.23.99 Item 6: KPI Scorecard

The Vice Principal Finance and Facilities presented the scorecard, highlighting how it had been included in Corporation and Standards meeting information, but not yet used by the Committee.

Members indicated it highlighted areas of risk, agreeing that it provided a useful summary to direct discussions.

Item 6 - noted: The Committee resolved to note the update.

R.23.100 Item 7: Health and Safety Update and Policies

The Health and Safety Officer summarised the progress made since the January report.

Attention of members was drawn to:

- Training including updated requirements following updates to legislation and college response to training requests
- Fire drill outcomes including updated processes implemented as a result of the assessment of the drill

- A summary of accident, incident and near miss statistics, highlighting disparity across the sights and actions to address this. Explanation provided for reducing statistics in the summer and plans for improved trend analysis in the coming year following additional data gathering
- Overview of the risk assessments and audits undertaken and risk-based approach to review periods
- Planned improvements to the first aid provision
- Challenges in embedding new processes outlined

Members thanked the Health and Safety Officer for the overview, asking for more details around remedial actions following risk assessments, with assurances that most were immediately actionable including clearing exits and removing flammable displays in exit routes.

The policy and process for approval was summarised, with the Corporation Chair confirming it could be signed once approved by the Board.

Item 7 - Resolved: The Committee resolved to accept the update and recommend the Health and Safety Policy and Health and Safety Policy Statement to the Corporation for approval

R.23.101 Item 8: Learner Funds Policies

The Assistant Principal Student Experience and Welfare summarised the content of the four policies, including changes to the thresholds and usage of the funds, including utilisation of previous underspend as well as the need to align with other local colleges in relation to care experienced and vulnerable learners.

Members supported the recommended updates, agreeing that the updated thresholds resulting in more support for more students was always welcomed, particularly as costs were increasing. Members clarified how long the underspend would support the increased threshold and were assured by the ten year trajectory, with plans to ensure assessment was done on a 2-year basis so that no student would be eligible in year one then be out of scope for support in year 2.

Members asked if it was being accessed by all eligible students with availability promoted, with the AP Student Experience and Welfare confirming applications had increased, with plans for greater promotion of the availability in the coming year. In response to a question about the impact on retention, it was considered to be a variable, however, was not something that could be measured, but considered to support ongoing attendance.

Item 8 - Resolved: The Committee resolved to recommend the Corporation approve the Learner Support Funds policies.

R.23.102 Item 9: Marketing

Item 9.1: Marketing Update

The Assistant Principal Student Experience and Welfare provided update on applications, which had improved further since the drafting of the report.

Improvements to conversion and progression data were highlighted, with progression exceeding the target set by 10%. Members asked about course

disparities, with some lower rates attributed to staffing issues in the previous year.

Sector wide reductions in applications to access course were discussed, linking this to discussions relating to the increased availability of the learner support funds, however, conceded that this could not compensate for the loss of two das income. Members were advised of changes to the national skills fund to incorporate access, with the announcement too late to impact the coming year's enrolment, however, the college had responded accordingly, building this into curriculum planning and by adjusting the budget.

Members expressed their gratitude to the team, noting that they were entering the enrolment period in a strong position, however, highlighted the difficulty in using comparative data in recent years due to external turbulence, with this year feeling more stable, with the ability to be more confident in the data.

Item 9.1 - Noted: The Committee resolved to accept the update, noting that the Principal would include an update within her report to the Corporation.

R.23.103 Item 9.2: Marketing Strategy 2023/24

The AP Student Experience and Welfare summarised the revised strategy, with plans to market Southport through four pillars. Members highlighted how this utilised the history of the college to secure and promote its identity, confirming they fully supported the idea, highlighting how this had seen KGV's reputation positively improved.

Members noted that the previous steady decline in applications had been reversed and fully supported the strategy, noting AI and intelligence had been used to support analysis of the impact of marketing spend.

Members asked how the school liaison work fitted into the strategy and were advised this was being moved into the marketing department, with this supported by the Committee.

Members discussed the keeping warm activities, highlighting how these were essential for maintaining connection between application and enrolment.

The item concluded with the AP Student Experience and Welfare highlighting work to promote the updated admissions policy, that ensure there was a place and course for every learner.

Item 9.2 - Approved: The Committee resolved to approve the Marketing Strategy.

R.23.104 Item 9.3: Internal Audit Report on Marketing and Progression

The Vice Principal Finance and Facilities confirmed that the Auditors had reviewed the work undertaken and provided a revised report, which now offered a subjective analysis on marketing spending, however, the second part on targeting and success had not been completed, with an apology from the Internal Audit Partner for non-completion, with plans to address this over the summer, acknowledging that it would not be easy due to data collection and availability, with the two sites not segregated in the data, as well as

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multiple marketing initiatives that could all be influencing an applicants decision.

Members asked about previous HE marketing spend and impact, noting that there had been additional resources allocated to marketing ahead of making the decision to withdraw HE provision, with members agreeing this had been the right decision to provide reassurance that everything had been tried to increase applications ahead of withdrawing the offer,

In concluding members were advised of the introduction of software to monitor marketing KPI's to support oversight and impact.

Item 9.3 - Resolved: The Committee resolved to accept the updated Marketing and Progression Report subject to further work being completed over the summer.

R.23.105 Item 10: Employer Engagement Strategy Update

The AP MIS and Apprenticeships provided an update pf progress against the KPI's, including the introduction of a CRM system.

Members discussed the impact of lower applications to higher value apprenticeships, asking if this had been strategic, and were advised this had been fortuitous.

Members considered the impact of high quality large local competitors, agreeing staff were the most successful marketing tool available to the college.

The impact of staff shortages on processing applications was outlined, noting progress in recent weeks would allow starts to resume.

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

R.23.106 Item 11: Risks Relevant to The Resources Committee

The Vice Principal Finance and Facilities summarised the report, drawing attention to the risks most relevant to the work of the committee including movements since the last review. Members noted the increased pressure around staffing concerns along with heightened awareness of cyber security issues following a number of published incidents.

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

R.23.107 Item 12: Strategic Objective 5 Action Plan Update

The Principal reminded the Committee that this objective centred around building an organisational culture where the college became the employer of choice, stating the financial constraints had made this more difficult.

Members noted the plans agility. with actions adapted to remain responsive to changing circumstances throughout the year, with most actions complete or on track for completion.

Updates since the last presentation were summarised, with the staff committee now in place and to be held regularly next year with difficulties arising in the past year due to the ongoing pay negotiations.

Members asked about support for staff and were reassured by comprehensive actions to support morale and wellbeing, with plans to achieve a mental health kitemark.

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

Item 13: Financial Reports

R.23.108 Item 13.1: Management Accounts

The Vice Principal summarised the update, confirming the information had been used to support the drafting of the budget, highlighting the movements from the original budget. Members attention was drawn to the operating position as at the end of May, highlighting the validity of projections due to low variances.

Item 13.1 - Approved: The Committee resolved to approve the April and May Management Accounts.

R.23.109 Item 13.2: Benchmarking 2021/2022

The Vice Principal Finance and Facilities confirmed most aspects of the report were included in the budget presentation. However, highlighted one or two areas to be focused on that are not in presentation.

Members noted Southport was the only two site college within the comparator range of colleges with income between £10,000,000 and £15,000,000, with this having an impact on running and premises costs as well as efficiencies.

Item 13.2 - Resolved: The Committee resolved to recommend the report to the Corporation as essential information.

R.23.110 Item 13.3: Financial Forecast 2023/24 to 2025/26

Vice Principal Finance and Facilities delivered to the Committee a presentation on the budget, highlighting key assumptions and drawing attention to the drop in income relating to adult courses.

Members asked why a drop in market share of students was predicted, with it explained market share had increased, however, not in line with the original Transaction Unit targets set at the point of the merger.

Other key points highlighted were:

- Assumption progression rates increase from 85% to 92% in 23/24 & 90% in 24/25 & 25/26
- No change re AEB Allocations through to 25/26 (incl. Test & Learn)
- Non-take-up Multiplier Grant (concentrating on improving quality)
- National Skills Offer (£120,000) & Advanced Adult Loans (£255,000) prudently set below allocations

- Discontinuation of new HE provision, with one class to continue as the second year of a two-year course in 23/24
- Cautious approach re Apprenticeships
- Continuation of the TPS Grant at reduced allocation of £341,000
- Reduced CDF and 16-19 Tuition Fund allocations extended to 23/24 only
- Southport Learning Trust 5-year lease agreement with indexed rent of £35,000
- Incorporation of an indicative pay award
- TPS contribution set to increase from April 2024 (details to be confirmed in September 2023)
- Minor realignments to Non-Pay Budget
- Provision of £100,000 for Condition Survey works
- Downscaling of ICT rolling capital programme
- New recurring savings target of £100,000 required to achieve 'Good' financial health grade

Members reviewed and discussed at length the predicted learner numbers, with concern raised over apprenticeship applications when comparing to pre-pandemic levels. In response to a question, the Committee was advised an additional 200 learners would be needed to return to 'good' financial health without making savings. The impact of birth rates were considered with detailed discussions around course weightings and income rates per learner, noting the risks associated with targeting weighted courses. Members were provided with additional information relating to historic student numbers across the two sites, with the new marketing strategy for the Southport Campus considered to be essential in improving perception and increasing applications as reflected in the successful strategy for KGV. Members considered the impact of conversion rates and retention, concluding early contact including course discussions and correct advice and course choice along with a positive experience in the early days would have an immediate positive impact on student numbers, with less leaving within the first 42 days.

Members acknowledged the risks and challenges as presented, including increased cost base whilst income is predicted to stagnate, needing to grow learner numbers whilst improving quality with limited resources.

Cash flow was reviewed and considered to be a risk, mitigated by the amendment of the IT budget, with members assured this had been done in consultation with the Head of IT.

Members asked if there was a need to alert the DfE that the college was predicting they would be close to the minimum cash balances, with the Committee assured this had been discussed at a recent meeting with the FEC Team, with no indication any intervention or additional support, beyond that proactively sought by the college, was necessary.

The benchmarking data was discussed at length, noting higher numbers of staff with comparably lower pay. It was clarified that staff utilisation was tightly controlled, with no underutilisation, however, the figures were impacted by

smaller class sizes, with examples provided of classes withdrawn or combined to improve the position.

In response to a previous request from the Committee, members were given an overview 'fee earning' staff versus those occupying a supporting role. Members suggested this needed benchmarking, with the Vice Principal proposing this would be difficult due to colleges having different operating models and staff structures, although there was a contribution analysis figure available to the AP MIS and Apprenticeships. It was however, suggested, this would only provide a contribution rate per curriculum area, as opposed to benchmarking the support function of the college. It was suggested that a comparator college could be asked to run the same exercise to provide a benchmark.

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In concluding, members highlighted the impact of the external environment and operating context, with it suggested many colleges would have declining financial health due to factors out of their control. Members agreed the next release of benchmarking data would provide a clearer picture of the impact of external factors, with the college's new KPI scorecard supporting governors in maintaining oversight of the risks.

The Clerk reminded the Committee of the recommendation the previous year to provide all Board members with the opportunity to see the full and detailed budget presentation, to ensure all members of the Board had a full understanding, members agreed and asked for the provision of an additional training session at 4.30pm, ahead of the Board meeting.

Item 13.3 - Approved: The Committee resolved to recommend to the Corporation the approval of the Financial Forecast 2023/24 to 2025/26 with the provision of a presentation on the forecasts, assumptions and risks for all Board members ahead of the Corporation meeting.

R.23.111 Item 13.4: Update Against Actions in Relation to Strategic Objective 4

The Vice Principal Finance and Facilities highlighted the areas off track, particularly those in relation to ICT. Members were assured of recent stability in terms of staffing and system availability.

Members were reminded of their responsibilities in relation to oversight of the ICT strategy, which had not been reviewed, approved, or overseen due to staff issues, with members agreeing an outline plan needed to be presented at the next meeting.

Members highlighted concerns in relation to cyber security, expressing the need for additional reassurance in relation to mitigations, with others asking if seeking expertise in this area was difficult due to the increased competition and high rates of pay outside of the sector. Members were advised that a new team member specialised in this, with another member indicating there were grants available to support with cybersecurity protection,

Item 13.4 - Noted: The Committee resolved to note the update.

Item 14: Accommodation And Estates

R.23.112 Item 14.1: Accommodation Strategy Update

The Vice Principal Finance and Facilities confirmed the update was consistent with the approved estates strategy, detailing expenditure plans whilst maintaining an element of flexibility.

Members noted limited resources and the need to balance priorities, including essential maintenance and improving efficiency, with the opportunity for obtaining grants to support with energy efficiency discussed.

Item 14.1 - Resolved: The Committee resolved to note the update.

R.23.113 Item 14.2: Critical Incident Management Testing

The Vice Principal Finance and Facilities confirmed there had been no tests of or need to invoke the processes of the Critical Incident Management Plan since the last meeting of the Committee. Members were informed of work underway to fully review the plan, working with local colleges on streamlining utilising a BCP approach.

Item 14.2 - Approved: The Committee resolved to recommend to the Corporation a working group is set up to review and consult on this.

R.23.114 Item 15: Committee Planning 2023/2024

Members agreed the updated Terms of reference reflected the work to be undertaken and responsibilities of the Committee, which included responsibilities in relation to managing public funds.

The Clerk summarised the key changes to the work in the coming year, asking members to highlight any areas they felt needed more frequent reporting, or any areas that could be streamlined. Members acknowledged the need for more HR data, supporting the introduction of termly reports.

Members agreed that 5pm remained the most appropriate time and were asked to notify the clerk of any days or dates to be avoided for meetings.

Item 15 - Approved: The Committee approved the draft work plan, and resolved to recommend to Corporation the an update to the current Terms of Reference.

R.23.115 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:

- H&S policy and statement (for approval)
- Learner Support Funds Policies (for approval)
- The Financial Forecasts (for approval)
- Terms of reference (for approval)

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

It was confirmed that the next meeting date would be circulated as part of the Corporation papers, to be approved by the Corporation.

The VP Finance and Facilities asked for permission to present an item of additional business, advising the Committee of the confidential release of the T Level Bid outcomes, with the college having been successfully awarded both grants with a 0% contribution rate.

The next steps were outlined, with it agreed a working party to monitor completion and condition adherence should be set, with it agreed this could be opened to all Corporation Members.

Item 17 - Noted:

The meeting closed at 7pm