

Minutes of the Meeting of the Finance and General Purposes Committee
held on Monday 25 September 2023

Present: - Mervyn Jones (Chair)
Abigail Appleton (Principal)
Peta Darnley
Clive Hodgeman
Robin Baker

In attendance: - Tim Williams (Finance Director)
Charlotte Godsall (Minute Taker)

Item 3.1

1 Apologies for absence

All members were present at the meeting.

2 Declaration of Interests

The Chair raised that a discussion on staff salaries would be taking place. The Principal confirmed that both herself and the Finance Director were senior postholders and are unaffected by the discussion. It was agreed they would be present for the discussion.

3 Minutes and confidential minutes of the last meeting

Governors agreed that the Chair should sign the minutes and confidential minute of the last meeting held on 29 June 2023 as true records.

Matters arising and actions update:

Student Protection Plan – agreed to carry forward. The Finance Director would update committee via e-mail before the next meeting to agree any changes that need to be made. **Action: Finance Director**

Communication to staff regarding pay award date – the Finance Director confirmed that staff were informed in January 2023 that the college was implementing the pay award early on that occasion and there was no implication this would be repeated.

4 Student recruitment

The Principal summarised her report and talked about FE enrolments, which are very similar numbers to last year for 16-18 funding but overall falling below target. She talked of external factors that could have affected numbers including the Hereford Sixth Form College gaining an outstanding Ofsted inspection, HCA not producing a printed FE prospectus and a difficult staffing year on the Digital Futures course which meant there was no capacity within the team to assist with recruitment activities. It had also been identified that there had been a dip in applications from two key feeder schools (Bishop of

Hereford's Bluecoat School and St Mary's RC High School), both of which we had recruited well from previously. The Committee discussed ideas of a poster campaign, offering CPD sessions and visits to the college for school teachers. The Principal advised that the Vice Principal: Student Experience and Business Development would be looking at internal processes to ensure that relationships with key schools are maintained. The Finance Director confirmed that within the previous five year strategy, the college did hit their targets for FE recruitment (470) and that current numbers were at 525.

The Principal summarised that within HE the college was not making any significant increases, other than in Fine Art. Digital research was being undertaken to give a greater understanding of how our target market are reacting to our courses. Taster days were being organised for colleges to bring their students to workshops on campus and work needed doing to demonstrate what other career opportunities can arise through gaining an arts degree. The group discussed ways to increase external exposure with suggestions of high profile alumni being involved with marketing campaigns and collaboration opportunities with Black Mountain College, NMITE and HLNSC to tie in with improvements to Hereford City as a place to live. The group also discussed a need for a deep dive into the Performing Arts and Music courses and to establish why Artist Blacksmithing numbers had dropped.

5 Finance Report

I. Management Accounts to 31 July 2023

The Finance Director commented on the report and gave an overview of the accounts, confirming that there was a positive EBITDA -education specific of £229K at the end of year and the college should get a 'good' Financial Health rating from the ESFA. The Chair commented that there were budget areas where there were underspends and these would need to be looked at. The Principal confirmed that the Senior Leadership Team were meeting to do a detailed analysis of the budgets. The Finance Director pointed out that the LGPS pension adjustments significantly skewed the surplus. As a result of the large actuarial gain the college now had no pension liability. All these pension adjustments were non-cash items.

II. Current budget risks 2023/24

The Finance Director commented on the report and confirmed that the colleges ESFA allocation had been increased by £183,000, compared to budget. This was the result of Government announcements on the national funding rate and on programme weightings. He added that HE tuition fees were now lower by £144K and not £84K which was recorded in the paper and UWTSD costs had still not been agreed – a meeting was scheduled for early October. A review of Teachers Pension Scheme (TPS) employer contributions was expected to take place in April 2024 but any increase should be DfE funded.

III. Additional FE revenue and staff pay

The Principal tabled a report. Additional funding to be received of £183K was with a strong steer from Government that this should be used on improving staff pay, which AOC supported but also recognised that some colleges may have other financial challenges that would limit a pay award. Key decision is to decide how much of funding to put towards a general annual pay award for all staff and whether some monies are used to address other issues such as pay progression. The Committee felt that issues of pay structure and progression

should be dealt with separately from the current pay award discussion. The Principal commented it was the aim to make close to a 6.5% pay award in 2024 but there were other anomalies within staff groups that needed to be addressed. The Principal noted substantial savings would need to be found in other costs

The group had a discussion over pay within HE and FE sectors and the level of pay award that should be granted next year and how much of the funding should be used towards it. A Governor asked if the college would introduce performance related pay but the Principal responded that we currently give an annual pay award to all staff and that only teaching posts tended to be advertised on a salary range so much work would be needed to introduce such a scheme.

The committee agreed that a majority of the funding should be used on pay, but there was good reason not to allocate it all to salaries.

6 Estates interim report 2022/23

The Principal advised an interim report had been submitted by the Operations Manager in the absence of the Facilities and Health & Safety Manager and this would be resubmitted once more significant costings had been added. She confirmed that RAAC inspectors had been onsite twice, checking both campuses. A report was being written up and it was expected that it would recommend further investigations in areas that could not be accessed. No significant issues had been highlighted. Herefordshire Council had arranged for removal of asbestos from the boiler room at CRC. The Principal commented that £50K had been allocated to the main hall at CRC to revamp it and the Chair suggested looking into improving acoustics within there. The Chair commented that both reports were good but could be combined into one document going forward.

The Chair asked whether a project manager should be employed to oversee the bigger projects but the Finance Director commented that these were being managed well in house but would keep under review.

The Finance Director commented that the first invoice from CJ Bayliss was £30K, not £300K as documented in the report.

7 Capital, Estates and Operations 2023/24

I. Digital Skills Centre capital project

The Finance Director confirmed that we were going into the contingency budget.

II. FE Capital allocation

III. Estates Strategy development to include:

- Additional capital planning 2023/24
- Development of more detailed strategy (verbal)
- Cyber security priorities update

The Chair asked what the priorities were, a process for this and whether it was in the capital plan. The Finance Director responded that he should be able to claim from DfE capital grant any cost associated with IT infrastructure such as cabling funding'. The preference was for a physical separation of the networks

A Governor noted that in the latest Keeping Children Safe in Education document, it stated that a governor should have access to and overview monitoring and filtering. The Principal confirmed that the Operations Manager and Designated Safeguarding Lead were in discussion about this and she would follow up. She confirmed that the Safeguarding Policy would be updated and presented to Board in October.

8 HCA People report

I. Staff Survey Feedback and Actions

The group discussed the report which identified that progression and communication were issues. The Principal commented that she had been surprised by the staff development scores as much work had been done in 2022/23 to improve this, but recognised that this may not have been communicated well. The Principal added that results would be reviewed with the Wider Leadership Group so they could explore outcomes with their teams, but staff development would be addressed more immediately with a pulse survey issued to staff. She added that there had been concern over the safeguarding response, which the Designated Safeguarding Lead was addressing, but it looked likely that staff were confusing safeguarding with wellbeing.

II. Staff Development Strategy

The Principal commented that the strategy had been written to demonstrate a leadership commitment, to identify and document priorities and to show that staff development is taken seriously. The group discussed and approved the paper.

9 Any other business

- 10 Date and time of next meeting: Monday 20 November 2023 commencing at 5pm.