

Minutes of: Finance and General Purpose Committee

Date: 22nd April 2024 **Location:** A10, College Road Campus

Present	In attendance
Mervyn Jones (Chair) Clive Hodgeman John Auckland Abigail Appleton (Principal&CE)	Tim Williams (Finance Director) Rebecca Semple (Clerk to Governors) Judy Balderson (Board Member observing)
Quoracy: Meeting was quorate	

1. **Apologies for Absence** - Peta Darnley
2. **Declarations of interest** – Judy Balderson declared an interest, in that she confirmed that she was attending as an observer only
3. **Minutes of last meetings**
 - a. **Minutes of last meetings held 20th November 2023 and 8th March 2024** – the minutes were approved as a true and accurate record
 - b. **Matters arising** – one action was noted as still in progress (Principal and Finance Director to undertake benchmarking exercise to support negotiations with validating partner). All other actions noted as complete.
4. **Finance Report** – The Finance Director presented the following reports, and highlighted key areas
 - a. **Management Accounts, including key risks**
The Committee noted that this showed a similar picture to the last few months. The Finance Director noted that the 2024 Staff Pay Award was now included and was currently creating less variance than might be expected, but that this is probably due to some current unfilled vacancies. He also confirmed that the recently-received 2024 utility fixed rates included less of an increase in charges than feared.
 - b. **Budget timetable (verbal update)**
The Finance Director confirmed that:
 - ESFA submission of the annual budget was due at the end July, and will therefore be brought to Board for approval on July 8th 2024
 - Predicted pension contribution rates are close to actual figures now quoted
 - Degree validation charges could still potentially increase by almost 300%, and negotiation conversations are continuing with validating partner
 - Utility fixed charges are as expected
 - The HE recruitment assumption for this year and next will have the largest impact on budget planning
 - A September 2024 F&GP meeting remains scheduled, in case any adjustment reset of budget is required at this point (date to be confirmed imminently by Clerk)

The Committee Chair requested that outline proposals for reducing 2024-25 costs (and their projected impact) be brought to the next F&GP meeting (for presenting to July 2024 Board). A Committee Member asked that this report also includes a comparison of the projected 2020 savings with those realised to date.

Action: Finance Director/Principal

The Principal reported that some current staff vacancies were giving opportunity for some reorganisation within staff teams which could contribute to future cost savings. The Committee Chair noted that the cost reduction plans to date have involved achievement of cost-savings via controllable costs, meaning that redundancy programme/significant reduction in college scope have not been considered. The Principal confirmed this as the current approach, and reported that no structural changes have been discussed as a cost reduction measure, while acknowledging that there is one course that may be forced to close due to low demand. A discussion around course demand and neighbouring competitors for some was then continued by the Committee, but overall it was acknowledged that the courses under discussion were mainly within FE, while the main concern over course recruitment is currently within HE.

5. **Marketing Report** - the Principal presented this report, and highlighted key areas.

The Principal noted that the main area of focus for Marketing continues to be recruitment. FE recruitment is roughly on a par with last year. While this could be concerning during a time of potential post-Ofsted bounce, FE have shown an ability to turn courses around quickly, and schools outreach work has significantly increased this year. HE recruitment is felt to be more concerning, with two new digital courses struggling to recruit. A change in applicant behaviour in last few months (applications being withdrawn before interview) is felt to be the most significant factor in low recruitment figures, and the team are assessing and attempting to understand student applicant behaviour via internal consultation and external sector research.

A need for a change in the HE recruitment process (informed by Marketing Team investigative work above) has been noted by management, and the Principal confirmed that a change to current process will be confirmed by end of this week, for immediate implementation. Committee agreed that Chair's action (F&GP and AQ&S) should be used to approve this change due to the speed of the decision needed, and it was confirmed that F&GP Committee Members will be kept in the loop about the changes agreed, and an outline position will then be presented to Board in May.

A discussion around the possible new approaches/elements of recruitment was then held by the Committee. A Committee Member suggested looking at the retention rates of colleges who are more successful in their initial recruitment, and the Committee agreed to hold a deep dive during June F&GP around recruitment.

The Principal updated the Committee that some temporary line management changes have been made within the Marketing team, to allow capacity to more appropriately be focused on current priority areas.

6. **Health and Safety Report** – the Principal presented this report on behalf of the Facilities and Health and Safety Manager.

This was noted to be the first report from Facilities and Health and Safety Manager since her scope of work has been purely focused on H&S. The Committee heard that good progress

has been made around fire and evaluation procedures and training, and significant staff development work undertaken around the quality of risk assessments. Work on Health and Safety policies is also underway. No Riddor incidents have occurred, and a healthy culture of near-miss reporting was noted.

The Committee noted the high number of incidents noted within carpark around the smoking shelter areas. The Principal responded that much work has been done around smoking and student behaviour, and that the decision has been made not to ban smoking. This is in line with Hereford, Ludlow and North Shropshire College (although not with Hereford Sixth Form College), and has been made partly to avoid students moving to local community pavements to smoke.

Committee Members noted their concern that incidents included contractors not adhering to safety measures that they might be expected to be trained in and aware of (e.g. ladder safety) and the questioned the vehicle by which contractors can be approached about or regulated regarding this. The Committee asked the Finance Director and Principal to review contracts, and to consider what form of risk assessment is undertaken for any contractors used.

Action: Finance Director/Principal

The Committee agreed that report overall is positive in content and format, and the Principal confirmed that the targets will be re-drafted for 2024/25 in the next report to Board.

7. **Estates Report** - The Finance Director presented this report on behalf of the IT and Estates Manager, and highlighted key areas as below.

Estates:

- Digital Skills Centre is complete, and due to be opened May 22nd
- DfE have confirmed no RAAC in place (as far as their survey can ascertain)
- Stronger Towns grant is now almost fully claimed
- ESFA funding conditions survey is now complete, and 2024/25 estates works project-management tenders from five companies are currently being reviewed

The Committee asked the Finance Director for some further detail around prioritisation of 2024/25 works (based on conditions survey) and associated estimated costs, along with those not undertaken, for some improved oversight of the prioritisation process.

Action: Finance Director

IT

- Cybersecurity improvement work is underway, and Cybersecurity Specialist Governor met with IT and Estates Manager last week, with no major concerns raised.
- Other IT work has included Digital Skills Centre IT hardware provision, CRC darkroom functionality

8. **Student Protection Plan** (to approve for 2024/25)

The Finance Director reminded the Committee that this statement was approved by Office for Students in 2023, and has a full review cycle of 3 years, with yearly sight by Board in advance of each Academic Year. He confirmed that the current intention of the institution would be as proposed in this statement.

A Committee Member raised a query about the wording in section 6.4, and a discussion was held around the use of 'fair and proportionate' or 'consistent', as well as around generally in

what situation when this might be acted upon. The Committee also noted an amendment needed in section 3.2, and the Finance Director agreed to update before publishing.

Action: Finance Director

Decision: the Committee agreed to approve this statement for one year, assuming amendment above made

9. Policies for Review

The Sick Pay Policy (due for full review in May 2026) was presented to the Committee with an update that had been made to clauses 6.2.1-6.2.3 after a recommendation was made as part of an internal audit around Staff Wellbeing.

The Principal asked the Committee to note a difficulty around the inclusion of clause 2.2.4 – and a discussion was held about the challenges of either implementing or of removing this clause. The Committee asked the Finance Director/Principal to consult a law expert in order to limit the liability of the college.

Clause 2.2.6 was queried by a Committee Member as being unclear, and the Finance Director agreed to arrange for the wording to be reviewed.

Actions: Finance Director / Principal / Manager HCA People

Clause 2.3.1a was queried by a Committee Member, and the Finance Director confirmed this to be correct and a statutory HR requirement.

Decision: The Committee agreed to approve the updates to clauses 6.2.1-6.2.3

10. Any other Business : no other business was raised

11. Date of next meeting: 24th June 4pm

Minutes approved: Date: