

## Meeting of the Finance and Resources Committee

### MINUTES

Items considered confidential on the grounds of commercial or personal sensitivity have been redacted from the published Minutes

<b>Date</b>	<b>Wednesday 18 June 2025</b>
<b>Time</b>	17:00 to 18:55
<b>Location</b>	Via MS Teams
<b>Present (Governors):</b>	Meyrick Vevers (Committee Chair) Jesse Adekoya Professor Craig Mahoney (Chair of the Corporation Board) Maureen McDermott (Staff Governor) - to 18.20 Rebecca Page-Tickell
<b>In attendance</b>	Allan Tyrer (Chief Operating Officer) Alison DeLord (Interim Head of People) – Item 3 Nolan Smith (Estates Project Manager, Fusion) – item 5 Melissa Drayson (Director of Governance)
<b>Observer</b>	None
<b>Apologies for absence</b>	Christine Ricketts (Principal and Chief Executive) Paul Stedman
<b>Quorum (3)</b>	The meeting was quorate throughout

<b>Item</b>	<b>Action lead</b>
<b>1. Preliminary items</b>	
<b>1.1 Welcome and apologies for absence</b>	
Apologies were received from Christine Ricketts and Paul Stedman	
<b>1.2 Declarations of interest</b>	
There were no new declarations of interests relating to matters on the agenda. Previously declared interests were carried forward.	
<b>1.3 Urgent other business</b>	
No items of urgent other business had been notified in advance.	

## 2. Minutes

One minor amendment to the wording was agreed, but this did not alter the context.

**2.1 RESOLVED: That the minutes of the Finance and Resources Committee meeting on 5 March 2025 be APPROVED as an accurate record. The confidential sections were confirmed and would be redacted from the published version.**

### 2.2 Matters arising

*Supporting paper by the Director of Governance*

The Committee noted actions that had been completed, those on the agenda and those not yet due for report.

An update was provided on plans to relaunch the College's sustainability initiatives. The COO reported that he had been invited to join the Elmbridge Climate Action Group. There were two separate strands to the College's work: how environmentally sustainable the College was in its operations, and how sustainability was embedded in the curriculum. It was agreed that further updates would be brought to track progress.

## 3. People Termly Report (February to June 2025)

*Supporting paper by the Interim Head of People and Professional Development.*

Headlines from the dashboard were presented. This represented a snapshot in time with comparisons to the year to date. A full-year report would be brought to the next F&R Committee. Governors noted that the dashboard was still evolving and would be discussed at Executive Group meetings on a regular basis.

Headlines from the report were:

- The size of the workforce had increased slightly from 191 at the end of January to 215 at the end of May (186 full-time equivalent). The composition remained similar with a larger proportion of staff in the upper age categories. This was a common trend in the FE sector.
- Recruitment activity had reduced after a busy start of year. There were now nine vacancies, a drop from 23 in January. Recruitment for Sport and Hair and Beauty lecturers was currently a challenge.
- Key new posts included a new Head of English and Maths and an Engineering IQA (Internal Quality Assessor)
- The number of leavers had reduced from 30 (previous period) to 9, and it was anticipated that the turnover rate would fall accordingly. The main reasons for leaving given were personal. All staff had been offered an exit interview, but only 33% had taken it up. Governors asked what happened to exit interview feedback. This was analysed by the People Team and any concerns or themes were reported to the Executive Group. These would also be flagged to governors in the termly F&R Committee reports.
- The number of sick days had reduced from the previous period, although this was not a like-for-like comparison. Most reasons for sickness were not work-related.

- A number of HR cases were ongoing. One was particularly complicated and was now with ACAS in the hope of achieving an early conciliation.
- A wholesale review of the appraisal process had been undertaken. The overall completion rate was 64%, which was an improvement but there was still considerable work to do to embed consistent practice across all teams. Governors commented that appraisal worked best when it was perceived as a constructive, developmental process. It was, however, vital that all staff were aware of expectations and performance issues dealt with effectively.
- Following mixed feedback in the staff survey, the Wednesday afternoon staff development programme had been relaunched. The programme had been commended in the most recent Matrix accreditation feedback. In response to questions, it was confirmed that measures of success were levels of engagement and staff survey feedback. The survey would be run again at the end of the summer term to assess if there had been any improvement. A highlight had been a series of all-staff face to face workshops on managing behaviour. These would be repeated in the Autumn Term.

An update was provided on the review of lower-end salary points. The increase in National Minimum Wage had impacted on the lowest points. A productive Executive Group workshop had taken place that week to review job families and proceed with job evaluations. The object was to set new pay scales, aligned with the AoC. The costs would then be identified and reported back. Care needed to be taken to ensure that the differentials with the rest of the spine were maintained and that there was sufficient breadth within each pay band.

Governors sought assurance that they would be informed of any circumstances leading to staff exit that might proceed to legal action. It was confirmed that the Principal and Chair of Governors would be informed immediately in such cases.

### **Staff pay award**

The Committee noted that the College had received £120k additional income from the DfE (Department for Education). This was a one-off so would be difficult to put into a consolidated staff pay rise. The view of the Executive Group was that this should be a one-off flat-rate award of £250. Lower grade staff would, therefore, receive more benefit proportionally from the payment. The staff governors confirmed that any acknowledgement would have a positive impact on staff morale, but the unions expected it to go into staff pay rather than resources.

There was a discussion about whether the award should apply to the three senior postholders (SPHs). It was agreed that it should be reserved to non-SPHs and that senior postholder remuneration would be reviewed by the GNR committee in the Autumn Term as usual.

The Committee commended the People Team for a clear and well-written document, and for the progress being made across several of the metrics

**RESOLVED:** That it be recommended to the Corporation that the additional DfE payment be used to fund a one-off payment of £250 to all non-SPH staff.

#### **4. Finance**

##### **4.1 Monthly Management Accounts, Forecast and Cashflow report – April 2025**

The Committee noted that the Capital Expenditure report was now integrated into the management accounts. A verbal update was provided on the May position.

The predicted year-end position was consistent with previous reports.

- The majority of income streams were on budget and there was high certainty on each income line. Overall income was tracking ahead of budget mainly due to increased DfE income, other grants and interest.
- The College was currently tracking ahead of budget in terms of EBITDA, which had improved by £13k
- Pay costs remained under budget, although some posts were covered by consultancies, which were reflected in non-pay which was, as a consequence, over-budget. Considerable work had been undertaken to reduce agency costs by converting posts to fixed-term contracts.

**AGREED:** That the management accounts be received.

##### **4.2 Budget 2025-26 and three-year Financial Plan**

*Supporting paper presented by the Chief Operating Officer*

Governors confirmed that, through discussions leading to this point, especially relating to the development of the financial case for the Structure and Prospects Appraisal, they had confidence in the assumptions and assessment of risk relating to the budget.

It was noted that the budget did not include the increase in funding rates for 16-18 and T Levels announced the previous week. This should have a likely impact on income of +£600k.

Governors asked how devolution would affect funding levels. There was no indication that 16-18 funding would be devolved, but if it were, it was likely that the current formula would be retained. The devolved Adult Skills budget would probably be allocated using the same sums in the first year. This was, however, a low margin area for the College, so the impact of any funding decrease would be minimal. High Needs Funding was the second highest source of income for the College. This was currently provided by the local authority so it was hoped that devolution would not result in any change to current arrangements.

There was discussion about the potential uses for the additional income, including a high staff pay increase. Options would be brought to the Committee when there was certainty on numbers.

**RESOLVED: That it be recommended to the Corporation that the Budget 2025-26 and Financial Plan to 2028 be APPROVED.**

#### **4.3 IT Procurement**

*Supporting paper presented by the COO*

The Committee was requested to approve the procurement of the IT Equipment required to complete the redevelopment of the Barnes Wallis and Tower. It was explained that the contract was primarily for laptop trolleys and IT suites in every teaching and staff room. The total cost was within the delegated authority of the Committee set out in the financial scheme of delegation. As it was possible that the cost would exceed the minimum threshold for services set out in the Procurement Act 2023, the procurement process was undertaken using suppliers on a government approved framework, Everything IT.

In response to a question, it was explained that the benefits of using one supplier in terms of aftercare outweighed any potential savings from buying different elements from different suppliers.

Governors supported a high ratio of laptops to students, as this helped with the digital divide. The cost per laptop represented excellent value for money.

Governors reminded management to avoid the use of acronyms in reports for clarity.

**RESOLVED: That the proposal to contract with EBM for the provision of IT equipment for Barnes Wallis and the Tower be APPROVED.**

#### **4.4 Termly procurement and waivers assurance report**

*Supporting paper by the COO*

*Supporting paper by the Chief Operating Officer*

Governors were reminded that the termly report had been introduced to offer full visibility of all procurement exceeding £30,000. During the period covered, there were several significant contracts and tenders associated with both the redevelopment of estates and the renewal of utilities. Confirmation was given that proper procurement procedures had been adhered to in each instance.

### **5. Estates Redevelopment Progress Report**

*Supporting paper presented by Nolan Smith Fusion*

Headlines and key risks were presented:

- The issues reported at the last meeting with the Barnes Wallis fire barriers had now been resolved. Additional fire cavity work had been undertaken around the windows.
- A risk had emerged relating to the supply of hair and beauty equipment in Barnes Wallis. The main supplier to the sector had gone into administration. A phoenix company had been set up which was fulfilling all prior obligations. The Barnes Wallis completion date was now 1 July.

- An extension date had been agreed with Cala for the occupation of Concorde building.
- It was anticipated that the three Phase 1 buildings, Edge, Tower and Barnes Wallis, would come in under budget and in line with the drawdown timescale for the FE Capital Transformation Fund (FECTF) funding.
- The contractors used for the Tower refurbishment had been excellent.
- Surrey County Council had confirmed their funding for the new Vickers building. This was now at RIBA Stage 4. The tendering process would commence within the forthcoming weeks, via the Find a Tender framework. The key risk attached to Vickers was budgetary inflation.
- Due to increasing student numbers, additional accommodation was needed for Construction. Renting the extra space would be unaffordable. A bid was being submitted to the Surrey Growth Fund by 30 June, and accommodating parts of the curriculum at Ashford were being explored. The staff governor commented that construction students often had other additional support needs, and were more likely to need to retake English and maths. In response to governors' questions it was confirmed that the additional space would be needed in September 2026 at the earliest.

The pre-commencement conditions for town planning had been submitted to the Council, but there were delays in processing them. This was not currently an issue, although long delays might create a risk.

The Committee thanked Nolan Smith for his report.

## 6. **Health and Safety Termly Report** *Supporting paper presented by the COO*

In the absence of the Health and Safety officer, the report was taken as read. Governors expressed disappointment that one 'near miss' with a nail gun had not been covered in more detail and asked that future reports include a section on follow-up actions to prevent similar incidents occurring in the future. This would provide a higher level of assurance.

The Health and Safety link governor had emailed a comment in his absence confirming that he had attended Health and Safety team meetings, and was pleased to report that there had been no RIDDOR reportable accidents and that the College's controls relating to Health and Safety had improved significantly.

An internal audit on Health and Safety had been reviewed by the Audit Committee. This had made several medium priority, but no high priority, recommendations.

**AGREED: That future health and safety reports should contain a section on follow-up actions to address near-misses.**

## 7. **IT and Cyber Security termly report** *Supporting paper presented by the COO*

Governors asked for clarity on the key messages from the report.

It was explained that the college was dealing with continuous cyber-attacks and defences seemed effective. All software was up to date. Penetration testing had been arranged to take place imminently and it was expected that this would identify any points of weakness.

The College was now working toward Cyber-Essentials plus which would involve a full inspection.

In response to questions, it was confirmed that the College had three versions of the servers, including a back-up and immutable server, which were held in different locations on the College campus.

Governors asked what other sources of external expertise the college was relying upon to provide third party assurance. It was confirmed that the Audit and Risk Committee had received the report from an internal audit conducted in 2024 and was monitoring actions.

**8. Termly KPI and risk assurance report**  
*Supporting paper by the Director of Governance.*

The Committee confirmed that there had been good coverage of all relevant KPIs and risks from the risk register through the Committee's business. It was noted that the internal auditors had recommended that Health and Safety should be included on the risk register.

The Chief Operating Officer reported that energy usage KPIs would be reported to the full Corporation.

**9. Other urgent business**

There was none

**10. Date of meetings in 2025-26**

The following provisional dates were shared:

- 8th October
- 3th December (including joint meeting with Audit Committee)
- 4th March
- 24th June

The Committee confirmed that 5pm was still the best start time for most governors, and that online meetings were working well.

**The minutes were approved by the Finance and Resources Committee at its meeting on 8 October 2025**