

Minutes of the Finance & Resources Committee Meeting at 4.30pm on 03 March 2025

Present: Alex Dartmouth (joined the meeting at 4.40pm), Tim Jackson, Anne Murphy & Rob Nitsch (Chair)

Apologies: Shahalam Ali, Naomi Beer (staff governor) & Aston Muff (student governor)

In Attendance:	Mickiela Blake	Director of People & OD (Mins 226 – 231)
	Katy Quinn	Principal & CEO
	Paola Schweitzer	Director of Governance
	Mike Stevenson	Director of Marketing & Communication (Min 237)
	Maria Vetrone	COO

Minutes

226 Attendance and Participation

Shahalam Ali, Naomi Beer (staff governor) & Aston Muff (student governor) sent their apologies.

227 Declarations of Interest

There were no declarations of interest.

228 Minutes

The minutes of the meeting held on 25 November 2024 were **Agreed** as a correct record.

229 Matters Arising

Matters Arising: Minutes 191 & 219: The HC (Nigeria) Ltd liquidation process was ongoing in Nigeria and the College was not required to take any further action. The College's ongoing financial liability was zero and the company would not feature in the 2024/25 financial statements.

230 HR Update including Dashboard (paper 729/25/F&R)

Governors welcomed the progress made against the people strategy's KPIs and recognised that further improvement in some areas was limited due to factors outside the College's control. They suggested HR focus on areas of significant impact concerning what mattered to staff and the senior management team and encouraged the HR Team to think about the true impact of the KPIs they were setting themselves. Governors asked about staff morale and staff engagement and suggested the College seek greater clarity between the channels of communication and the messages staff were communicating. Governors then turned their attention to staff recruitment which was a challenge in certain areas including senior business support and some curriculum areas. This was now having a significant impact and was identified in the

strategic risk register. Katy confirmed that there was flexibility in the senior leadership team pay scales to offer more competitive rates. Governors **Noted** the HR update.

231 Gender Pay Gap Data 2024/25 (paper 745/25/F&R)

The data as at the statutory reportable date of 31 March 2024 showed a mean gender pay gap of 16.4% and a median gender pay gap of 32%. This was because, in common with a lot of other colleges, the College had a significant number of female employees in lower paid roles. Actions being taken to address this included further developing blind recruitment and staff training on gender bias. Governors welcomed the actions and suggested the College undertake more detailed analysis to identify the underlying issues, particularly at the middle and higher pay levels, so that more targeted corrective action could be considered. Governors expressed their continuing support for addressing the issues raised and **Noted** the gender pay gap report.

Mickiela left the meeting.

232 Health & Safety (H&S) Report (paper 730/25/F&R)

The Committee was briefed that the College had undertaken extensive H&S work to ensure there were comprehensive control measures in place so the College was a safe place to work, visit and study. Since the last meeting a new H&S management system had been established and the Parago reporting system rolled out. Staffing resources remained under pressure, but it was anticipated that a new H&S manager would be appointed shortly. The College was satisfied it had identified all applicable H&S legislation and was reasonably satisfied (official definition) that it was meeting its H&S compliance obligations. Governors welcomed the H&S developments and discussed aspects of the report and external review action plan. One governor noted that progress hadn't been made on several risk assessment reviews since the last meeting and that some of them posed a greater risk than others. Maria agreed, noting that this was an area of focus and would be resolved by the end of the spring term. Katy advised that now the College had established H&S foundations and once a manager was appointed, further developments would be possible including improving H&S awareness and reporting, enhancing understanding of data and benchmarking. Maria confirmed the manager would have administrative support. Having scrutinised the report, including the College's legal compliance, data and the current position relating to H&S risk assessments and workplace inspections, governors **Noted** the H&S report.

233 Health & Safety Policy (paper 731/25/F&R)

The College was required to maintain an up to date H&S policy and statement of intent providing a framework for H&S activity. These had been updated to strengthen governor scrutiny and provide greater clarity on roles and responsibilities. The statement would be published on the website and publicised around the College. One governor suggested that the policy and statement be amended to reflect the fact that H&S was a shared endeavour and so the College required people to behave responsibly and to act on risks. Another governor suggested that the statement '*as far as is reasonably practicable*' was not appropriate with regards to the College's statutory obligations. Having reviewed and scrutinised the documents and suggested several amendments, governors **Agreed** to recommend the H&S policy and statement to Corporation for approval with the suggested changes.

234 Management Accounts: P05 January 2025 (paper 732/25/F&R)

The management accounts included year to date (YTD) actuals as at 31 January 2025 and indicated an operating surplus of £98k. This was favourable to YTD budget by

£337k due mainly to staffing vacancies and unspent non pay expenditure budgets. The forecast outturn indicated an operating deficit of £279k, adverse to the full year budget by £9k. Variances were likely to increase towards year end. Maria drew attention to several issues including the shortfall in apprenticeships and self-paying provision including HE, increased National Insurance and National Living Wage employer costs and the risks impacting the financial forecast. There was a discussion about cash days, with Maria noting that the College should expect to maintain around 70-80 cash days for its size. Governors welcomed the best and worst case scenarios in the report and were reassured that the best case could be achieved. Governors noted the reduction in LGPS contributions from 26.5% to 18%, one of the positives following the recent LGPS guarantee and rate review. One governor noted that 2024/25 Element 3 High Needs funding rates with Portsmouth City Council (PCC) had not been agreed and asked what the College's strategy was to ensure payment, believing the situation was unacceptable and required firm action. Katy stated that the College was working hard behind the scenes and that if agreement was not reached at the forthcoming meeting, she would escalate the issue to local MPs. There was a discussion about apprenticeships, notwithstanding the fact that it was a lesser income stream. Maria stated that curriculum planning was underway and might lead to a further reduction in income as the apprenticeship portfolio continued to be scaled down. The governors encouraged absolute realism in the projections and felt that the priority was this over optimism and support for apprenticeships as a whole, noting that the College's strategic approach to apprenticeships would be considered at Corporation. Having scrutinised the College's financial position particularly the KPIs, adverse variances and operating deficits, forecasts to year end, emerging financial risks and mitigating actions, governors **Noted** the management accounts (January 2025).

235 Capital Programme & Estates Update 2023/24 (paper 733/25/F&R)

The 2023/24 capital programme included a range of planned expenditure for building refurbishment and replacement works to the total budgeted value of £2.831m. Most capital projects had been completed or were near completion and there was a favourable forecast budget variance of £128.1k with £1.92m spent to date. There were six unplanned capital projects totalling £115.1. In response to a question, Maria confirmed that financial management concerning the capital programme was very tight. There was a brief discussion about the cost of students damaging College property and Maria would check if this was referenced in the student contract. Having scrutinised the report, particularly the revised timelines for the delivery of some projects and financial variances against budget, governors **Noted** the capital programme 2023/24.

236 Capital Programme & Estates Update 2024/25 (paper 746/25/F&R)

The capital programme for 2024/25 included a range of planned expenditure for building refurbishment and replacement works as well as associated peripheral works, furniture and fittings and classroom and IT equipment to the total budgeted value of £2.468m. The College had also received Specialist Equipment Allocation (SEA) of £229,300 to supplement T Level Wave 5 building projects. Many capital projects had started, and all were expected to complete by 31 July 2025 (some would start in the summer break and complete before the start of 2025/26). There was currently a favourable forecast budget variance of £93.3k with £560.7k spent to date. Having scrutinised the report, particularly the revised timelines for the delivery of several projects, financial variances against budget and the impact on the College's cash flow forecasts, governors **Noted** the 2024/25 capital programme and estates update.

Minute 237 was confidential.

238 Summary of Statutory Settlement Payments (paper 735/25/F&R)

As at 31 January 2025 the College had made statutory payments to staff in settlement in 2024/25 to the total value of £107,488.81. All payments were compliant with requirements set out under Managing Public Money. Governors queried the last entry in the schedule related to Business and asked that this was investigated. Governors **Noted** the summary of statutory settlement payments.

239 Procurement & Contract Management Policy (paper 736/25/F&R)

The College's procurement and contract management policy had been updated to reflect changes to UK legislation including the new Procurement Act 2023 and Public Procurement Regulations 2024. Governors scrutinised the aims and scope of the policy and **Agreed** to recommend the procurement and contract management policy to Corporation for approval.

The meeting ended at 6.35pm.