City of Portsmouth College

Minutes of the Finance & Resources Committee Meeting at 4.30pm on 02 March 2026

Present: Alex Dartmouth (from 4.50pm), Graham Goddard, Tim Jackson, Anne Murphy (chair) & Katy Quinn (Principal & CEO)

Apologies: Shahalam Ali, Aston Muff (student governor), Rob Nitsch & Debra Welsh

In Attendance:		
	Mickiela Blake	Director of People & OD Minutes 283 – 289)
	Matt Phelps	Deputy Principal & CEO Curriculum & Quality
	Paola Schweitzer	Director of Governance
	Maria Vetrone	COO

Minutes

283 Attendance and Participation

Shahalam Ali, Aston Muff (student governor), Rob Nitsch and Debra Welsh (staff governor) sent their apologies.

284 Declarations of Interest

There were no declarations of interest.

285 Minutes

The minutes of the meeting on 24 November 2025 were **Agreed** as a correct record.

286 Matters Arising

Governors **Noted** that all matters arising had been either completed or were closed.

287 HR Data Update 2025-26 (paper 950/26/F&R)

This report provided an update on the HR strategy including strengths, weaknesses and potential strategic risks as well as the quality improvement plan. Progress against the people strategy was positive, with notable improvements in recruitment timelines, retention, induction feedback, wellbeing activity and data capture. Key risks concerned industrial relations and pay constraints, sickness absence, teacher training capacity and inclusion data maturity. The Principal & CEO was pleased to see the impact of effective HR systems and data. Sickness absence was unlikely to fully resolve for 12 – 18 months as it linked closely with the ongoing culture piece. The focus was tackling short term sickness absence with repeat offenders. Governors asked to consider an analysis of sickness absence at the next meeting. One governor welcomed the fact that 100% of teaching roles had been filled. Governors **Noted** the HR data update.

288 Employment Rights Bill Update (paper 982/26/F&R)

The report provided an update on the impact of the Employment Rights Bill on the College as well as timelines for the implementation of changes. Areas requiring change concerned industrial action and trade unions, family leave, sickness absence, whistleblowing, sexual harassment and menopause. Governors **Noted** the Employment Rights Bill update and agreed that it would be tabled as an annual report.

Alex joined the meeting.

289 Framework for Pay & Conditions for Staff (paper 951/26/F&R)

The report provided an update on the College's framework for pay and conditions of staff as set out in the Reward & Recognition Policy which detailed how pay was awarded, how staff moved up the pay table and the approach adopted for National Living Wage increments and alignment. Benchmarking showed that the College was generous with its annual leave and contact time for academic staff and was in line with sector norms for sick pay and pensions. Next steps were to streamline work processes and to monitor sickness absence data to ensure it stabilised at an acceptable level, at which point the College would review the financial viability of increasing sick pay to six months full pay and six months half pay (currently three months each). Governors agreed the current approach was appropriate but advised caution in any review of increasing length of sick pay entitlement. Governors **Noted** the framework for pay & conditions of staff.

The Dir of People & OD left the meeting.

290 Management Accounts (January 2026) (paper 953/26/F&R)

The January 2026 management accounts indicated an operating surplus of £1.91m year to date (YTD), favourable to YTD budget by £1.07m. The forecast outturn indicated an operating surplus of £720k, favourable to the full year budget by 315k. In response to a question, the COO stated that a report to Audit Committee concerning apprenticeships had confirmed the financial exposure was not significant and as a result 50% of the contingency had been released. The COO confirmed that the Ayrton Tower insurer was paying in accordance with invoices and was fully paid up. Governors considered whether the finance strategy target to achieve *Outstanding* financial health by the end of 2026/27 remained appropriate. The Chair believed that ideally the College would achieve *Outstanding* but not at the expense of investing in the student experience, staff and estate. The Principal & CEO agreed, stating that financial health was an enabler to achieve the College's goals, not a goal in itself and that investment would be necessary to achieve the new strategic plan. Governors agreed to explore financial modelling within the context of strategic planning before the Committee's next scheduled meeting. Having scrutinised the College's financial position particularly the KPIs, governors **Noted** the January 2026 management accounts.

291 Additional Pay Review 2025-26 (paper 980/26/F&R)

The paper proposed three options for awarding a pay award/non-consolidated payment to staff, following the College's strengthening financial position, outlined previous pay awards and restated the College's aim to align pay awards with AoC recommendations subject to affordability. Governors discussed the impact of the recent strike action and the Principal & CEO confirmed that not offering an increase to the current year's pay award was the main, but not only, motivator. Governors agreed unions should not dictate the College's decisions but agreed the importance of doing the right thing, acknowledging that even with a pay award there was a risk the unions might decide to strike again. Governors **Agreed** to recommend to Corporation that an additional consolidated uplift of 1.5% be awarded to all staff from 01 April 2026 and that the matter would return for consideration at the Committee's next meeting. Governors were assured that this option would have a negligible impact on the College's forecast outturn position (provision allocated for national living wage increases had been overestimated and therefore money had been released back into the budget). The recommendation would be reported to the unions at the forthcoming meeting. The COO confirmed that she was building in a 4% pay award into the 2026-27 budget.

292 Lease Accounting Changes (paper 967/26/F&R)

The report summarised changes in 2026-27 to lease accounting under revised FRS 102 and the HE/FE SORP 2026, outlined the anticipated impact on the College's financial statements and set out the proposed implementation plan and governance. The College hoped to be a case study with DfE on the issue as it was one of relatively few colleges to be impacted due to its high proportion of leased estate. The matter had been discussed at Audit Committee where it had been suggested there was a spotlight session for governors. Governors expressed comfort that in the short term negotiating shorter lease periods would minimise the impact of the changes on the College but underlined the importance of liaising with DfE to resolve the matter in the longer term. Having scrutinised the financial impact analysis, particularly for the different lengths of lease renewal period, governors **Noted** the lease accounting changes.

293 Health & Safety (H&S) Report (paper 952/26/F&R)

The College continued to focus on strengthening H&S governance, assurance and oversight arrangements to ensure the College maintained a safe environment for staff, learners, visitors and contractors. Activity outlined in the report demonstrated measurable progress across priority risk areas, alongside the establishment of more robust monitoring frameworks to support sustained improvement. The Chair was comforted by what seemed like good progress, although she noted that the H&S team was not yet fully staffed. Graham agreed that improvements had been made since the previous meeting although there still weren't enough trained first aiders, particularly at the North Harbour campus. Governors **Noted** the health & safety report.

294 Capital Programme 2024-25 Update (paper 954/26/F&R)

This paper summarised the College's 2024-25 capital programme which included planned expenditure for building refurbishment and replacement works and associated peripheral works across the estate, to the total budgeted value of £2.468m. All capital projects had been completed except for final completion of the new online payment portal. There was currently a favourable forecast budget variance of £123.14k. Governors **Noted** the capital programme 2024-25 update, particularly regarding delays to building works in the Ayrton Tower.

295 Capital Programme 2025-26 Update (paper 955/25/F&R)

This paper summarised the College's 2025-26 capital programme. Its total budgeted value was £3.373m and there was currently a favourable forecast budget variance of £1.296m. Governors noted that some timelines had slipped due to the Ayrton Tower flooding in September 2025 and understaffing in Estates but were assured they would be met. The Principal & CEO noted that it would not be possible to refurbish levels 6 and 8 in Ayrton Tower without additional DfE funding. Having scrutinised the report, particularly delays to several capital projects and the additional unplanned capital projects, most of which related to over-running works and additional works associated with the flood, governors **Noted** the capital programme 2025-26 update.

296 IT Update (paper 956/26/F&R)

This paper provided an update on the c£5m investment in IT infrastructure since 2022 to ensure it was fit for purpose and future proofed as well as investment in staff to deliver more efficient and effective service levels. One governor asked about the vacant Cyber Security Specialist role. The COO stated it was a difficult role to fill as the College was unable to offer similar pay to industry. Governors noted the importance of adequately resourcing this area, suggesting it might be more effective to buy in external support and asked for a report on how this area was being managed in a sustainable way. Having scrutinised the report, particularly staffing arrangements and implementation of the IT strategy, governors **Noted** the IT Update, agreeing it would be an annual report.

297 COPC Enterprises Ltd: Director Change

The paper proposed that Rob Nitsch stood down as director of COPC Enterprises Ltd, the College's only subsidiary company, and Tim Jackson took his place. Both Rob and Tim had agreed this change. The Principal & CEO was one of COPCE Ltd's directors and the second was usually the Chair of Corporation. Governors **Agreed** to recommend the change in director of COPCE Ltd from Rob Nitsch to Tim Jackson.

298 Health & Safety Policy & Statement (paper 957/26/F&R)

The College was required to maintain an up-to-date Health & Safety Policy and Statement describing the H&S management system in place. There were no changes to the statement and policy changes related to clarification of staff roles and responsibilities and re-ordering of the text. Governors **Agreed** to recommend the Health & Safety Policy & Statement to Corporation for approval.

299 Procurement & Contract Management Policy (paper 958/26/F&R)

The College's Procurement and Contract Management Policy had been amended in light of the new Procurement Act 2023 and associated Public Procurement Regulations 2024. The key changes concerned simplification of routes to market and increased transparency requirements and would be applied through new/improved systems and processes. The COO confirmed that the policy aligned with the College's Financial Regulations. Governors **Agreed** to recommend the updated Procurement and Contract Management Policy to Corporation for approval.

300 FE & HE Fees Policies (paper 959/26/F&R)

The paper outlined updates to the fees policies, namely tightening up the FE withdrawals process and associated fee waivers and changing HE government policy. The changes would have a positive impact on income, and the international fee would increase in line with inflation later in the year. Governors **Agreed** to recommend the updated FE and HE Fees Policies to Corporation for approval.

Minute 301 was confidential.

The Chair provided the opportunity for governors to return to any issues that they felt hadn't been adequately discussed, but there were no further comments.

The Chair asked that future meetings be kept at two hours.

The meeting ended at 6.20pm.