



BOARD OF GOVERNORS: RESOURCES COMMITTEE

DRAFT Minutes

Monday 26 June 2023 at 5pm

Online via MS Teams

PRESENT:	Sam Foley (<i>Chair</i>)	<u>Meeting Attendance</u> (3 out of 3)
	Gillian May (<i>Group Principal and CEO</i>)	(3 out of 3)
	Peter Tyndale	(3 out of 3)
	Kiran Virdee	(3 out of 3)
APOLOGIES	Angela Wellings	
IN ATTENDANCE	Richard Munday (Deputy CEO)	
	Tracy Reeve (Director of Governance)	
	Lucy Gill (Director of Finance)	
PART ATTENDANCE	Susan Brady (Director of People)	

PART I

MINUTE **No**

ACTION

- Presentation of Human Resources Report, Susan Brady:** Minuted at agenda item 9.
- Apologies for Absence**
Apologies had been received from Angela Wellings. The Chair reminded governors that this was the first meeting of the 'separated' TWFCG Resources Committee.
- Declarations of Interest**
No Member declared a conflict of interest with the agenda.
- Minutes of the Previous Meetings**
The meeting considered the minutes of the TWFCG Audit & Resources Committee meeting of 1 March 2023 which had previously been circulated to all members and **were agreed as a true record. They would be taken as signed by the Chair.**

Written resolution: 25 May 2023: The meeting noted a summary of the process and approval of a written resolution to proceed to Chair's Action in order to sign the catering contract for 2023/24 which had been awarded to Baxter Storey. This approval from Resources Committee and the Chair had been necessary to meet the requirements of TWFCG Financial Regulations, even though the decision was operational. The Director of Governance (TR) confirmed that written resolutions and Chair's Action were within the powers of the Board but would be reserved for 'exceptional' situations. The Deputy CEO (RM) confirmed that the Finance Regulations would be reviewed in the autumn term to remove the need for operational contracts to come for Board approval.
The report was NOTED
All Members were agreed.
- Matters Arising of the Previous Meeting of the joint Audit & Resources Committee**
The Director of Governance (TR) presented a report which confirmed that all matters arising had been actioned or would be actioned in the future (timing not due for completion yet).
The report was NOTED.

MINUTE**No**

6.

ACTION**Risk Register**

The Group Principal (GM) presented the Risk Register for 2022/23 which continued to be reviewed and updated by the Senior Leadership Team. GM confirmed that this Risk Register had been discussed in detail at each sub-committee meeting during June and continued to drive all of the meeting agendas. Governors noted the risks and their ratings, in detail and additional verbal assurance was provided for the key 'red' and 'amber' risks.

Risk 1 Failure to meet budget forecast (risk score increased to 20 'red' from 16 'amber'): The inflationary pressures on energy and pay costs was still a key risk and the CEO asserted the need for the College to maintain a Good financial health grade. GM also highlighted the strong application numbers across all four colleges. This would be discussed further under agenda item 7 in the meeting, budget proposal 2023/24. However, the meeting was reminded of the ongoing upward pressure on pay and no increase in income likely; it was likely that FE would not be included in the public sector Pay Review Bodies recommendations. The meeting discussed the likelihood of strike action with many college leaders having openly said that they would support their staff in strike action and work with them to minimise any impact on learners. The Chair of Resources Committee (SF) asserted the need for this point to be made clearly when the budget was presented to the Board for approval.

Risk 2 Uncertainty and risks associated with emerging national curriculum reforms (risk score reduced from 16 'amber' to 12 'amber'): This key risk was being well managed and senior staff were fully engaged in advisory groups linked to reform but it did not appear that government were listening to FE college concerns. However, T Level plans were now in place for TWFCG from September 2024 which was giving management more confidence around the T Level proposal.

Risk 3 External Safeguarding Risks (risk score remains at 16 'amber'): The meeting was assured that the Executive Team continued to work with all relevant agencies in relation to any safeguarding incidents. Additional Safeguarding and Prevent Training had now taken place for all staff and governors.

Risk 4 Poor student outcome data at Langley results in a challenge to the Good Ofsted rating (risk score remains at 16 'amber'): The meeting was reminded that Vice-Chair (Rob Lewis) had taken on the role of the Governors' 'special ambassador for Langley' to provide assurance for the Corporation Members on the implementation of the Langley College Quality Improvement Plan (QIP). GM informed the meeting that this had also been discussed in detail at the recent Quality & Curriculum meeting (20 June 2023) when governors reviewed progress against the Langley QIP for 2022/23.

Risk 15 Insufficient capital investment results in poor stewardship of the college estate (risk score remains at 12 'green'): The meeting noted the highlight in relation to the possible impact of any move towards low cash reserves.

Governors (KV) asked for the terminology on the Risk Register to be amended to reflect the now separate Audit Committee and Resources Committee.

ACTION: Risk Register narrative in relation to committee names to be updated.

GM

The meeting sought clarity around cyber security and IT risks (Risk 6) which was currently graded at a risk score of 12 'green'. The CEO (GM) confirmed that the college was cyber essentials certified and would be upgrading to cyber essential plus in 2023/24. A specialist external consultant was helping the college to identify any outstanding actions in this area post-merger. Governors sought, and were given, assurance that the College undertook phishing testing and made all staff aware of the ongoing risks. It was agreed that an update on this area should be brought to Resources Committee in Autumn 2023.

ACTION: IT/ Cyber security update report to be brought to Resources Committee in September 2023.

RM

The meeting commended the clear format of the Risk Register and the format of highlighted text to focus on changes since last seen by the Board which worked well to inform governors and allow them to focus in on the most pressing risks.

Members NOTED and RECEIVED the updated College Risk Register.

MINUTE No	ACTION
<p>7. <u>Budget 2023/24 and financial plan 2024/25</u> The detail of the discussions around this agenda item is recorded in the Part II minutes due to the commercial sensitivity.</p> <p><i>The Resources Committee APPROVED The Windsor Forest Colleges Group Budget 2023/24 and Financial Plan 2024/25 including the financial overlays to maintain Good financial health and a positive EBITDA and would RECOMMEND these to the Board for approval (on 5 July 2023).</i></p> <p>All Members were agreed.</p>	SF/ TR
<p>8. <u>Estates Update</u></p> <ul style="list-style-type: none"> • <u>Capital Development Steering Group (CDSG) Minutes, 12 June 2023</u> The meeting noted the minutes from the last CDSG meeting. <i>The meeting NOTED and RECEIVED the minutes from the last meeting of the CDSG.</i> • <u>Honey Lane Development at BCA</u> The meeting received a verbal update on this project which was now moving forward after the appointment of Bidwells as land agents. Interest in the plot was very strong from potential developers (more than 50 had registered for details) and Bidwells had taken a number of people to visit the site. Communication with local stakeholders were being managed very well by Bidwells. The timeline for bids for the Honey Lane plot would not close until 30 August 2023 to accommodate the summer holiday period. The CEO also confirmed that the contract for the project management of the Heritage Restoration project (repairs to the Mansion and the other Grade 1 listed assets) was now out to tender. <i>The verbal update on the Honey Lane Development was NOTED.</i> 	
<p>9. <u>Human Resources (HR) Report</u> This item was presented by the Director of People (SB).</p> <p><u>Pay Harmonisation:</u> The meeting noted a report which outlined where the college was in relation to aligning terms and conditions of employment post-merger i.e. pay and holiday entitlement with effect from 1st September 2023. Governors were reminded that after the merger between the WFCG and BCA on 1 August 2022 staff transferred to The Windsor Forest Colleges Group. On transferring from BCA to WFCG staff were protected by the TUPE (Transfer of Undertakings Protection of Employment) Regulations and the terms and conditions of the BCA staff transferred to their new employer. As is common after a TUPE transfer the BCA staff had different terms and conditions of employment to the staff who worked for WFCG pre-merger. SB confirmed that whilst the BCA staff had no automatic legal right to the same terms and conditions as the WFCG staff, as outlined in the November 2022 report to Resources Committee, the Executive Team believed it was appropriate to align the terms. The two key differences related to pay and holiday entitlement and the meeting noted the process that had been undertaken to align those terms, as far as is possible, with effect from 1st September 2023.</p> <p><u>Pay:</u> This had been aligned to WFCG pay banding for roles, moving staff to the nearest, higher, pay point on the scale. Where there were no comparators pay had been aligned to a pay band and where the pay of BCA staff was higher than that of WFCG staff, pay had been protected. The meeting noted that in the vast majority of cases this had resulted in staff receiving a pay increase. SB confirmed that there were now 27 staff on 'protected' salaries. BCA staff would be given, for the first time, access to automatic annual incremental increases until they reached the top of their pay scale. In addition, the WFCG's lowest pay band for support staff, band F £20,103 - £22,248 had been removed, making the Groups lowest pay scale band G £22,248 - £24,728. This had been implemented from 1st April 2023.</p> <p><u>Holiday:</u> The meeting noted that holiday entitlement was greater at WFCG for academic staff (by 22 days), it was equitable for managers and lower (by 3 days) for support staff. Benchmarking data across colleges had shown support holiday entitlement to be below average and therefore, an increase to 30 days was proposed across the Group from 1st September 2023.</p>	

SB confirmed that all staff had the right to remain on their current BCA terms of employment. A number of presentations, group meetings and one to one consultation meetings had taken place over a three-week period. In addition, the college was in consultation with its recognised trade unions regarding the changes. The biggest issues being raised by the trade unions were as follows:

- Not accounting for experience of Lecturers in determining their starting position on the pay scale.
- Curriculum Leaders not feeling that their additional work was being valued
- Relative position in terms of pay band now that band F had been removed.
- How the college might recognise some staff as academic but enable flexibility to deliver all year round.

SB confirmed that the Executive continued to work with the five different unions to agree how these concerns could be remedied over time to ensure the ongoing financial stability of the Group. The meeting noted that the annual cost of the pay harmonisation exercise was £420,000 which rose to £560,000 with oncosts; this was more than expected. The risks around staff turnover and lack of motivation were noted. The CEO (GM) highlighted the difference between pay harmonisation and pay equalisation; the unions were now pushing for TWFCG to look at the latter as soon as possible. GM informed the meeting that the pay harmonisation exercise and consultation with staff and unions continued to be an onerous and relentless process. Although relationships with the Trade Unions were good challenges remained. The Executive had made it clear that TWFCG did not have the budget to resolve any issues around inequality; in order to undertake an equalisation exercise there would need to be significant redundancies across the Group.

The meeting agreed that whilst the harmonisation was the right thing to do, the ongoing cost impact was a worry. The need to meet benchmark pay as a percentage of income figures was also discussed. The ongoing tension between pay costs and the need to maintain strong quality in the face of an impending Ofsted inspection was also noted. Governors suggested that more should be made of the very strong pension and the total benefits package (including good holiday entitlement) with staff. However, there was an appreciation that the cost-of-living pressures featured more prominently in people's minds than any future pension benefit. The CEO agreed that future communications with unions and staff would highlight the very high employer contribution rate to staff pensions (currently 27.3% for LGPS).

The meeting thanked the HR Director for the considerable work that had been put into this pay harmonisation process; this was not likely to be settled for some months.

The meeting NOTED the HR Update Report on pay harmonisation.

ACTION: An update on pay harmonisation to be included in HR Report to Resources Committee in September 2023.

SB

[The Group HR Director (SB) left the meeting.]

10. **Management Accounts to 30 April 2023**

This item was presented by the Deputy CEO. Members took the detail as read as it had been discussed earlier in the meeting during the budget discussions (agenda item 7). There were no additional questions from governors and the forecast year end position was noted.

The meeting NOTED and RECEIVED the management accounts to 30 April 2023.

11. **Applications**

The CEO (GM) presented the Applications Report for 2023/24 intake across the four colleges. GM confirmed that this was looking positive against the prior year, but she did not have the BCA data for the prior year. The four colleges were considered individually:

- i. BCA: Applications remained in line with the prior year across most programme areas with some modest growth in Sport, Media, and Business. BCA had a target recruitment number of 1,550 students for study programmes. Applications were currently at 1136, interviewed at 969, offered at 933 and accepted at 874.
- ii. Langley: Applications (772) had increased by 164 compared with the same time last

MINUTE
No

ACTION

year, as a result student interviews (585) had increase by 128 and offers accepted (396) had increased by 137. Applications had increased in all areas except Sport and Protective Services which would move to BCA from September 2024. The meeting was reminded that Langley had a recruitment target of 1,050 students for study programmes.

- iii. Strode's: Applications (1216) had increased by 26 versus the same time last year but due to timing delays interviews (1112) were 26 down. However, offers made (957) and accepted (890) had increased by 109. Strode's recruitment target was noted as 1,140 students for study programmes.
- iv. Windsor: Applications (811) were down slightly (by 52) on a very strong prior year performance. As a result, interviews (691) were down by 26 but offers accepted (417) were up by 17. Windsor had a recruitment target of 680 Students for study programmes.

The meeting noted that all four sites had a good conversion from interview to accepted; automated chase up of applications and offers accepted using SMS had improved the response rate. In addition, curriculum areas had been much more responsive than previous years to meet the increase in demand of interviews, meaning less waiting time from application to interview.

Governors noted that the figures presented were for external applications only. The progression number across FE were higher than the prior year but Sixth Form progression was down due to a decrease in the level 2 intake for 2022/23. Governors asked for data on progressing students to be shown separately in future Applications Reports.

ACTION: Future applications reports to governors to separately identify progressing students.

GM

The Applications Report was NOTED and RECEIVED

12.

Dates and Times of Future Meetings

The Director of Governance proposed a draft schedule of Resources Committee meeting dates for the academic year 2023/24. TR confirmed that the schedule for 2023/24 was based on the prior year timetable but included:

- separate Audit and Resources Committee meetings.
- additional meetings in September 2023 for Strategy Governance & Search Committee, Resources Committee and Audit Committee which would prove beneficial in terms of timing and workload in advance of the Board meetings in October and December 2023.

The Chair confirmed that she was not available for the suggested date Wednesday 27 September.

ACTION:

- i. Date for September 2023 Resources meeting to be amended before being presented to Board for approval on 5 July 2023.***
- ii. Resources Committee members to notify TR of any non-availability for the scheduled dates.***

TR

All

Subject to any non-availability the draft meeting timetable was APPROVED.

All Members were agreed.

13.

Any Urgent Business

There were no urgent items of business raised.

The meeting closed at 6.45pm.

Chair.....

Date.....