# BOARD OF GOVERNORS: RESOURCES COMMITTEE

Minutes
Thursday 7 March 2024 at 08.30
Online via Zoom

| | | Meeting Attendance |
|---|---|---|
| PRESENT | Sam Foley *(Chair)* | (3 out of 3) |
| | Gillian May *(Group Principal and CEO)* | (3 out of 3) |
| | Signe Sutherland | (2 out of 3) |
| APOLOGIES | Kiran Virdee | (1 out of 3) |
| | Angela Wellings | (1 out of 3) |
| IN ATTENDANCE | Richard Munday (Deputy CEO) | |
| | Tracy Reeve (Group Director of Governance) | |
| | Lucy Gill (Group Director of Finance) | |
| | Zoe Lawrence (External Governance Reviewer, Rockborn) | |

## PART I

**MINUTE No** | **ACTION**

1. **Apologies for Absence**

The Director of Governance (TR) informed the meeting that apologies had been received from Kiran Virdee and Angela Wellings.

2. **Notifications of any other business**

There was no other business notified.

3. **Declarations of Interest**

Gillian May flagged that she was a Member of the MAT (not a trustee or a Governor) which Langley Hall Primary Academy belonged to (this was declared in relation to agenda item 10.1 'Proposal for E Block at Langley').

No other Member declared a conflict of interest with the agenda.

4. **Minutes of the Previous Meeting of Resources Committee**

The meeting considered the minutes of the TWFCG Resources Committee meeting of 28 November 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.**

***All Members were agreed***

5. **Matters Arising of the Previous Meeting of the 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).

- ***ESFA funding audit***

The meeting was disappointed to be informed that the College Financial Statements 2022/23 had still not been finalised due to the protracted ESFA Funding Audit being undertaken by PWC. The Deputy CEO (RM) confirmed that the final report from PWC had still not been received which was very disappointing as the audit had now been going on for more than 6 months. RM asserted that this over-extended process was even less justifiable as the identified possible clawback was currently circa £20k which was 'immaterial in relation to the

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Financial Statements'.

The meeting noted that once the Audit Findings Report was received from PWC, the Finance Leads would work with RSM to finalise the WFCG Financial Statements so that they could be taken to the Board for approval on 20 March.

RM highlighted one issue which had become apparent since the Financial Statements were last presented to the Corporation on 13 December 2023; the college had failed a covenant test associated with the loan due to the repayment of BCA loans on 1 August 2022 and then one-off merger costs. RM assured the meeting that he was working with his contact at the ESFA to get a waiver for the failure of the test. He was asking for this test to be changed to a 'debt: income' ratio test in future with a threshold of 2% or 3%. The meeting sought and was given confirmation that RSM were ready to finalise the accounts and the covenant issue would be resolved before the Financial Statements were presented for final approval on 20 March 2024. RM also assured the meeting that the College had secured an extension to the filing deadline for the Financial Statements – now extended to 31 March 2024 - to reflect the PWC-related delay.

The Resources Committee members suggested that the college should lodge a complaint with the ESFA about this over-lengthy audit. The Group Principal/ CEO (GM) informed the meeting that she and the Deputy CEO would be having a meeting with the Deputy Director of Provider Market Oversight at the ESFA to discuss the issues that WFCG had experienced with the PWC audit process. This had been arranged after GM had raised the issues encountered with Funding Audit with the FE Commissioner (SL) at a recent Landex conference. The Chair asked that a record of the meeting with the ESFA should be circulated to Resources Committee and Audit Committee Members.

***The report was NOTED.***

***ACTION: A record of the 'complaint' meeting with the ESFA should be circulated to Resources Committee and Audit Committee Members.***

6. **Applications Report: Enrolment 2023/24**

The meeting noted the current applications report for 16-19 programmes at 22/02/24 (not 26/02 as shown on the report) which showed that the Group was 8% (264 learners) ahead of the same position in the prior year. The current 'growth' in applications by college was BCA 9% (+94), Langley 1% (+7), Strode's 3% (+ 37) and Windsor 20% (+ 131). The big increase at Windsor was predicated on the LSIF partnership work and the change of focus for this campus (to Screen Industries) in line with the strategy agreed by the Governors in July 2023.

The CEO highlighted that the budget reforecast paper which would be considered later in the meeting did not have any growth in learner numbers for 2024/25 included. This was after she had a conversation with the Chair of Resources Committee who had highlighted the danger of allowing 'optimism bias' to affect financial forecasts. However, GM confirmed that if the conversion rate for these applications was as expected the lagged funding figure for 2025/26 would continue the upward income trajectory for the college.

***The applications update was NOTED***

7. **Post-merger position statement**

The CEO presented a report which outlined the strategic outcomes and financial performance of the merger between WFCG and BCA since its completion on 1 August 2022. This paper provided a clear context for the mid-year budget review paper on the agenda.

GM highlighted that prior to the merger, both institutions had faced challenges with generating significant EBITDA, with BCA relying on Restructuring Funds from the ESFA and WFCG sustaining operations through asset sales and extraordinary income. Despite these challenges, the merger was strategically aimed at leveraging both institutions' strengths to enhance educational offerings, improve financial stability, and better serve our communities.

The Key Achievements and Impact to date were noted as:

- **Educational Enhancements**: The merger had facilitated significant benefits for students, including clear specialisation and comprehensive pathways to high-level technical and professional skills. This had led to improved student retention, notably at Langley College, and increased progression opportunities across WFCG.

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- **Financial Stability**: The post-merger integration had incurred costs approximately £1m over initial estimates, primarily due to unforeseen expenses in harmonising staff contracts and IT integration. Despite these challenges, the group was on track to generate a positive EBITDA for FY25 (the first time in eight years). This move to a positive EBITDA would be predicated on additional funding from post-merger growth in learner numbers.
- **Strategic Influence and Capacity Expansion**: The merger had expanded the group's capacity to respond to government funding priorities and future demands. Successful capital and revenue funding streams had strengthened WFCG's regional presence and facilitated new and improved educational provisions, particularly in the Screen Industries and Green Retro Fit Skills.

The meeting considered the progress against the key post-merger Strategic Objectives:

i. **Benefits to Students**: Enhanced scale from the merger had allowed for significant investment in student support services, new T level provision across all colleges and improved SEND specialist provision at Langley College.

ii. **Financial Base Strengthening**: Despite initial post-merger financial challenges, the group anticipated a positive EBITDA for FY25, supported by learner growth and curriculum efficiency improvements.

iii. **Greater Strategic Influence**: The merger had enabled a stronger regional voice, securing funding for key initiatives and establishing vital employer partnerships, notably in Screen Industries and Green Retro Fit Skills.

GM also highlighted the additional benefits of staff development and student experience. The meeting agreed that these improvements were all tangible and met the planned proposal made under the BCA Structure and Prospects Appraisal. GM confirmed that the improvement in quality and learner experience post-merger would be validated by the imminent Ofsted inspection. The meeting agreed that the greater level of strategic influence that the WFCG now had was a real benefit and allowed the College to make traction regionally against the Skills Agenda; WFCG was now the largest provider of green retrofit Bootcamps regionally. GM assured the meeting that the College had been transparent with the ESFA about the higher-than-expected merger costs of HR alignment and the integration of IT systems. Governors were reminded that the merger had been completely self-funded with no contribution to merger costs from the ESFA.

The Chair (SF) commended this paper which she had found focused and informative. In the spirit of challenging 'over-optimism' she sought clarity on asked whether there were any areas where progress was behind schedule. GM confirmed that the financial drag currently coloured everything and remained the key challenge with ongoing pressures on staff costs and pay. GM also highlighted the challenge of maintaining high morale in any dissolving college i.e. BCA. The reticence to cultural change and integration had been a key focus for management.

The meeting commended this useful report and suggested that it should be taken to the Board (20 March 2024) with a position at the start of the agenda; this would set the context when the mid-year reforecast was being discussed.

**The meeting NOTED the post-merger position statement.**

***ACTION: This report should be:***

i. ***Taken to Board and put towards the start of the Board agenda for 20 March.***

ii. ***Included in the Ofsted briefing pack for Governors.***

8. **Mid-Year reforecast 2023/24**

The Group Finance Director (LG) presented the revised budget 2023/24 and the revised financial forecast through to 2024/25.

The meeting noted the following Executive Summary:

EBITDA:

- The reforecast EBITDA position would move from a deficit of £1.192m for FY24 to

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a surplus of £1.493m in FY25. The reasons for this significant movement were noted and governors were assured that the revenue growth forecast for 2024/25 was supported by the latest ESFA funding toolkit.

- The Financial Health was forecast to return to "Good" for FY25.

Cash:

- Cash balances remained positive with year-end cash balances forecast at £3.123m for FY24 and £2.788m for FY25 and as such would be above the college strategy of a minimum year-end cash balance of 2% of turnover (£900,000).
- Cash balances had previously been maintained following the sale of college assets in terms of properties and this has covered cash out flows from operations. This is not an option for the future.
- Cash outflows for investing activities needed to continue in FY24 and FY25 where the college was already in receipt of grant funding (or else we will have to repay the grants), and this was reflected in the forecast cashflow position noted by the meeting.

The meeting was assured that the financial position for FY24 and FY25 had been discussed with the ESFA on 22 February and the ESFA understood the pressures the college group was facing with regards to negative EBITDA for FY24 and the associated cash outflow. Whilst there was no help available from the ESFA (to assist with merger costs as had been the case in the past), the ESFA team had not raised any concerns with regard to the reforecast financial position.

- **Discussion with unions**

LG confirmed that FY 24 would remain very challenging especially in relation to payroll. This had already been discussed with Trade Unions to suggest that awarding a COL pay increase for 2024/25 would be very challenging. However, management would remind the unions that the new automatic pay progression for all was positive and lower paid staff had been supported by the removal of the lower salary band.

- **Reforecast 2023/24**

The meeting noted and discussed the detail of the revised forecast. The group was forecasting a reduction in EBITDA resulting from the extension of post-merger IT system work, inaccuracies in the staffing budget and the costs associated with the delivery of provision to an additional 268 full-time students and under delivery of AEB, against allocated cash. This had been partly offset by the receipt of an additional £855,000 in-year growth funding. The financial health grade would be RI with a negative EBITDA of £1.192m.

- **Reforecast 2024/25**

The meeting noted that using the revised EBITDA for FY24 as the starting position, the baseline for FY25 showed a significantly improved position due to the elimination of non-repeatable expenditure relating to the merger together with the increase in lagged ESFA funding. The full-year, positive, impact of leadership and management changes made in FY24 would also be felt. The positive EBITDA of £1.493 would generate a financial health grade of Good for FY25 with a score of 190 points. The meeting was reminded that the threshold for Good was 170 points so for additional assurance further savings in payroll would have to be made.

The Chair (SF) sought confirmation from other Resources Committee members that they were happy with this paper and that it would allow a calm and informed conversation at the Board in March. ***GM also asked that LG include the one-page PowerPoint slide from July 2023 to be included as an update – for non-financial members of the Board.*** **LG/ TR**

The Chair of Resources suggested that the Committee should review the minimum level of cash that the Group should hold. SF was concerned that 2% (£900,000) might be a little too low.

***The meeting APPROVED the mid-year reforecast and would RECOMMEND this to the Board for approval.***

***ACTION: Minimum level of cash reserves to come to Resources Committee in June 2024.***

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| 9. | **Revised delegated authorities** | |

The meeting considered a paper which was seeking approval from the committee for changes to delegated authorities due to changes in the senior management team structure, the combining of payrolls from two to one, and the heritage restoration project at BCA.

- **Combining of payrolls:** The Group FD confirmed that at present payroll was processed on one single system, but as two separate payrolls. The meeting noted that a project was underway to combine the two for the start of the tax year, following the alignment of staff contracts. As a result the value of the combined payroll files will exceed the current bank approval limit of £1m for single transactions. LG was seeking and was given approval to increase the single transaction limit from £1m to £2m. Governors were assured that all bank transactions would continue to be approved by any two of the designated authorities.
- **Change in SLT structure:** The meeting noted that the current designated bank approvers for all payments were: Group Principal and CEO, Deputy CEO (until end of March 2024), Group Finance Director, Group Management Accountant and the Banking and Systems Officer. The paper was requesting that the additional designates should be added to the Santander Bank Portal: Group Director of Governance, Principal Sixth Form, and Group Vice Principal Quality & Apprenticeships. The Committee Chair (SF) suggested that it was not good practice for the Management Accountant to sign off the payroll. LG confirmed that in 90% of cases the payroll was signed off by the CEO/ Deputy CEO/ Group FD but she would adopt this as a principle.
- **Heritage Asset Restoration project at BCA:** LG informed the meeting that the Director of Estates and Facilities at BCA, currently had an approval limit of £10,000 for Purchase Orders, Invoices and contracts. Due to the costs involved with the imminent heritage restoration project at BCA, it was proposed that the sign off level for the Director of Estates and Facilities at BCA is increased to £50,000. This would enable items above this level on the system to route to the Group Principal/ CEO and not also need the approval of the Group Finance Director.

In addition, an amendment to approval limits was considered as follows:

- Group Finance Director to increase from £15,000 to £50,000
- Group Management Accountant to increase from £2,500 to £15,000
- Director of Estates and Facilities BCA from £10,000 to £50,000 (as above)

***The meeting APPROVED the changes as presented – with the following caveats:***

- ***Management Accountant not authorising payroll transactions so this increase was not approved.***
- ***Group A and Group B structure should be used to designate combinations of signatories.***

10. **Estates Update**

- *TWFCG Estates Strategy, November 2023*

The meeting considered the Estates Strategy which had previously been presented at the November 2023 meeting. The Resources Committee members were reminded that they had received updates of the planned capital expenditure at each meeting. GM confirmed that the College had been allocated a total of £2,724,132 capital funding from the Department for Education under various headings including improvements in building condition and energy efficiency. In addition to this the introduction of T Levels had provided an opportunity to apply for capital funding for equipment and facilities to support these courses.

This meeting noted a new Estates Strategy Risk Register the updated Estates Strategy summary which included details of the DfE funding allocations, capital works in progress and planned projects over the period to March 2026. Governors noted that the Estates Team had continued to bring together the WFCG estates information on the four campuses in an effort to streamline administrative processes and this work would continue over the 2023/24 academic year with a particular focus on energy efficiency, cost management and sustainability. GM confirmed that there was no Reinforced Autoclaved Aerated Concrete (RAAC) in any of the WFCG buildings.

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The CEO talked about the current estates pressures across the four campuses.

- **Langley** currently had additional capacity. SLT were considering whether to timetable over 4.5 days attendance for 2024/25 in order to give additional capacity for commercial lets. The meeting was reminded that the current income was circa £280,000 per year.
    - The MUGA pitch negotiations around a long lease continued with Slough Borough Council.
- **Windsor** was the Group's newest building so was energy efficient but was tight on space. The expansion in 2024/25 from the LSIF grant and the new curriculum in relation to screen industries would put the campus under pressure.
    - There was lapsed planning permission for expansion into the car park but the Group did not have capital to pursue this at the moment.
- **Strode's** was well utilised by its consistent number of circa 1,200 learners. Capacity would be sufficient for the next few years reflecting the forecast static demographic.
    - There were some listed buildings and repair and maintenance would be a focus.
- **BCA** had struggled with rooming over the last 5 years but growth in learner numbers had settled over the last couple of years. The College remained tight on student social space.
    - The Heritage Repair Project at BCA would be a large project affecting the Mansion. There would be a need to review the use of the Mansion after the heritage repair work was complete.
    - Top Farm Drive accommodation was in category 4.
    - Some of the land-based buildings needed repair.
    - The recent DfE withdrawal of the Equine T level was disappointing as capital would have been available to repair the stables.

The meeting considered the Estates Risk Register and GM confirmed that although there were no risks currently assessed as 'red' there were some possible issues. One of these would be in relation to the ageing IT infrastructure. The CEO reminded the meeting that the loss of LEP funding had been a blow. However, there was a possibility that any new government might put money into the skills agenda and colleges might see Digital Skills offers.

The Chair suggested that the College should use the College resources – e.g. the very special resources at BCA including the zoo – to look for partner or sponsoring institutions. This might include leveraging cash from charities and funds. GM confirmed that there was some opportunity to exploit co-use of facilities and the Group had just appointed a Commercial Manager to take this forward. ***The meeting suggested that 'commercialisation' should be added to the WFCG Estates Strategy?*** **GM**

Governors sought confirmation on whether there were any plans to renew or change the temporary classrooms at BCA. GM confirmed that these were a college owned resource and still had plenty of life in them.

The meeting commended this useful summary and the Risk Register format to capture the key risks in relation to the complicated WFCG estate.

**The revised College Estate Strategy and associated Risk Register were NOTED and RECEIVED.**

***ACTION: Take both of these documents to the Board for information and assurance.***

- *Proposal for E Block at Langley College*

The meeting noted that the college was considering leasing the unused E Block to neighbouring Langley Hall Primary Academy (LHPA). Governors considered a paper which outlined the proposal's rationale, valuation findings, and next steps for board approval.

The CEO informed the meeting that LPHA had expressed strong interest in leasing E Block, a vacant building within the estate at Langley College. For context GM informed the meeting that this was a flat-roofed building the size of six badminton courts. GM confirmed that this engagement would reflect a strategic approach to asset management, aiming to strengthen community ties and optimise resource utilisation. The proposed lease of the

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| | block to LPHA would present no safeguarding issues and would realise a rental income stream at open market value; estimated at £105,000 per annum on a tenant repair basis for E Block. The idea of building an 'educational village' on the campus was discussed and the meeting agreed that having the primary school onsite would strengthen the negotiations for the MUGA lease. LPHA was confirmed as covering age range 4-11 and would fit in well with the ethos of WFCG. GM also highlighted the possible opportunity to explore synergies in general services on the Langley site if this proposal went ahead, e.g. catering security, cleaning.<br><br>The meeting was assured that the leasing of E Block would provide a number of benefits. Financially, it would generate annual income from an otherwise underutilised asset. Operationally, it would address maintenance costs and responsibilities, shifting them to the lessee. Community-wise, it would strengthen WFCG's relationship with LPHA, fostering educational collaboration.<br><br>GM highlighted that the building's internal condition and insulation issues would necessitate a tenant repair agreement, ensuring that the college was not liable for extensive refurbishment costs. Additionally, the lease terms, including duration, break clauses and rent reviews, would need to be carefully negotiated to align with both parties' long-term interests.<br><br>The meeting discussed the possibility of offering LPHA a rent-free period for the remainder of 2023/24 with charges starting in September 2024. The Chair sought, and was given, confirmation that the presence of asbestos in the building would be clearly specified in the contract. GM confirmed that this would make it explicit that any remedial work in relation to this would be the responsibility of LPHA within the maintenance and repair lease. Governors also sought, and were given, assurance that this rental would not cause any traffic issues on the Langley site. The Chair suggested that a paragraph on traffic management should be included in the lease to ensure clarity in the longer term.<br>***The meeting APPROVED the proposal for the leasing of E Block at Langley College subject to final negotiations and contractual agreements. It would be RECOMMENDED to the Board for approval on 20 March 2024.***<br><br>• *Minutes from Capital Development Steering Group, 31 January 2024*<br>The meeting took the minutes from the CDSG meeting of 31 January as read; these minutes detailed the current progress with the land sale at Honey lane BCA.<br>The meeting noted that the drainage solution work continued with cost forecasts of £700k to £1m, the specialist team were also looking at drainage options nearer the development site. Governors were assured that there would be independent testing on cost estimates. GM confirmed that she was cautiously optimistic about a resolution which would then enable release of funds at exchange to mitigate expenses on the Heritage Repair Project.<br>***NOTED*** | |
| 11. | **TWFCG Fees Policy and fees proposal 2024/25**<br>The Group Finance Director presented the proposed fees and charges policy for TWFCG in 2024/25. Governors were advised that the policy remained essentially the same as that approved for the current financial year in March 2023. The only amendment of any significance was that the qualifying hours for learners aged 16 to 18 has increased from 540 to 580 in line with changes to the funding rules.<br><br>***Transport:*** Governors noted the proposed increases in transport charges for students using the coaches and minibuses at BCA. These were in the range 5-28% with the higher amount affecting the term 3 bus pass which was less popular with students. LG confirmed that senior management believed that the bus fees still offered students value for money, with the cost per week of an annual bus pass: Band A - £25 and Band B - £30 (based on 36 weeks per year). The meeting noted and agreed that it was appropriate to reduce the discount between an annual ticket and the cost of purchasing three termly tickets to £60 per route (this would reduce the college 'subsidy' liability). Governors sought confirmation on whether the College expected any challenge from learners in relation to this increase. LG assured the meeting that learners were being given plenty of notice of the costs of travel so that could plan accordingly. LG also confirmed that the revised transport costs were in line with other local college transport costs. | |

***Adult Fees:*** The meeting noted and approved that the adult full-time fee should increase from the current £1,530 to £1,605. This percentage increase (5%) would also apply to all other adult courses, rounded to the nearest £5.

***The meeting APPROVED TWFCG Fees Policy 2024-25 as presented and would RECOMMEND this to the Corporation on 20 March 2024.***

All Members were agreed.

12. **Strategic Map 2023-25**

The CEO presented an updated version of the WFCG Strategic Map which was now RAG rated to clearly demonstrate progress to date against this plan. Governors commended this new addition.

The Director of Governance asked the meeting to consider how well they continued to discharge their duty to monitor progress against Strategic Priority 5; this was a process agreed at a recent Strategy Governance and Search Committee. The meeting agreed that through reporting and challenge at Resources Committee this continued to be well met.

***The RAG rated College Strategic Map was NOTED and commended***.

13. **FE Commissioner Curriculum Efficiency and Financial Support and Sustainability (CEFSS) Review**

The CEO (GM) presented the report from recent project undertaken with the FE Commissioner's Efficiency & Financial Sustainability Support (CEFSS). This college-requested work – after a suggestion by Audit Committee - was to assist with the post-merger harmonisation of the curriculum planning process with a view to seeking out ways to improve. The meeting was reminded that the review work took place in November 2023 and the initial feedback provided few actions. However, the report - issued in February 2024 – had made several suggestions:

- Commence earlier curriculum planning with new guidance for Curriculum Managers.
- Implement a recognised curriculum planning tool.
- Develop staff utilisation tools for increased efficiency.
- Review costs and optimise group sizes to prevent over-teaching.

Through the suggested actions, the report anticipated potential savings and income increases totalling £864k. However, GM highlighted that these were generalised figure, and the FEC Team had not yet provided detailed analysis to support this other than the following:

- A 3 percentage-point increase in staff efficiency, potentially saving £438k.
- Reduction in over-teaching, potentially saving £260k.
- Improved group size efficiency, potentially saving £166k.

GM informed the meeting that some changes would be made to the final report after members of SLT had met with the FEC Team. However, the report had confirmed that WFCG could reduce the teaching hours on large programmes from circa 680 to 592. GM confirmed that the observations from the FEC Team had been helpful and would provide as strong steer for management to engage with curriculum teams to establish class sizes and teaching hours. GM reminded the meeting that there was a need to find £0.5m salary savings for the financial plan 2024/25. Another area for focus would be to ensure that contact hours were timetabled for 25 hours for all teaching staff. Finally, the management team would need to ensure that the curriculum plan optimised group sizes e.g. around English and Maths. GM confirmed that the final curriculum plan would be completed just after Easter and she was looking for circa £700k of efficiencies in 2024/25.

***The CEFSS Report was NOTED and RECEIVED.***

14. **Management Accounts January 2024**

The Group Finance Director (LG) presented the management accounts for January 2024 which had previously been circulated to all governors by email.

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| | The final key financial indicators for the first five months of the financial year were noted as follows against the January 2024 reforecast budget:<br>• The EBITDA for the year-to-date (YTD) amounted to £1.032 million compared to the reforecast of £994,000 i.e. £38,000 adverse.<br>• For the year to date there were variances against forecast in income (£47,000 positive), pay costs (£7,000 adverse) and non-pay costs (£53,000 adverse). The non-pay costs were ahead due to curriculum costs being front loaded. LG assured the meeting that due to the recent hold on budgets the final year-end position was expected to be inline with the reforecast.<br>• The cash balance at the end of January was £3.638 million in credit, which was £57,000 ahead of the reforecast.<br>• The financial health for the 12 months to 31 January 2024 was at 'Requires Improvement', 150 points.<br><br>The meeting took the detailed Management Accounts as read; the reforecast agenda item had discussed much of the detail. The Chair suggested that the wider Governing Body might have some questions on why the position was behind the reforecast and asked that the Group Finance Director should be prepared for this challenge. The meeting asked that the Resources Committee should be kept up to date on any deterioration to the EBITDA forecast on a monthly basis for the remainder of the 2023/24 academic year.<br>***The Management Accounts for January 2024 were NOTED and RECEIVED.*** | |
| | ***ACTION: Resources Committee Members to be kept up-to-date with forecast EBITDA position on a monthly basis.*** | **LG/ TR** |
| | ***THE MEETING TOOK THE FOLLOWING REPORTS AS READ.***<br><br>*[The CEO (GM) left the meeting at 10.00am to attend an Ofsted briefing meeting.]* | |
| 15. | **Risk Register**<br>The meeting considered the Risk Register for 2023/24 which had recently been comprehensively reviewed and updated by the Senior Leadership Team. Resources Committee Governors were informed that the Audit Committee had considered the Risk Register – format and content – in detail at their meeting on 6 March 2024. The meeting noted the highest scoring risks and the update narrative explaining current mitigation and assurance levels.<br><br>*Risk 1 Failure to meet budget forecast (risk score raised to 20 'red' from 16 'amber')*: Acute risk linked to financial health. As discussed earlier in the meeting the upwards pressure on pay was still a very real concern.<br><br>*Risk 2 Uncertainty and risks associated with emerging national curriculum reforms (risk score remains at 12 'amber')*: This key 'acute' risk was being well managed and senior staff were fully engaged in advisory groups linked to reform.<br><br>*Risk 3 External Safeguarding Risks (risk score remains at 12 'amber')*: The meeting was assured that the Executive Team continued to work with all relevant agencies in relation to any safeguarding incidents. The meeting discussed the risk appetite in relation to this risk which would always necessarily be very low.<br><br>*Risk 4 Poor student outcome data at Langley results in a challenge to the Good Ofsted rating (risk score remains at 12 'amber')*: The meeting was reminded that the Langley data had improved for 2022/23. The Director of Governance (TR) highlighted that the Ofsted inspection which would take place 12-15th March would provide a strong external assurance around all aspects of quality for the Corporation.<br><br>TR highlighted the changes that had been made to the format of the Risk Register in response to previous challenge from Audit Committee members. These changes to the format were to improve clarity and effectiveness in managing risks. The modifications included: **Addition of a Risk Appetite Level** (a new column allowed for a nuanced understanding of the college's tolerance for risk); **Categorisation of Risks** (Risks were now classified as either acute or chronic, providing a clearer perspective on their nature and | |

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| | urgency); **Updated Control Measures and Success Metrics** (the RAG rating system keeps control measures and success metrics up to date, ensuring ongoing relevance and effectiveness); **Inclusion of a Target Risk Score** (this score enhanced the current assessment of the strength of assurance, guiding strategic focus); **Highlighting New Actions** (All new actions undertaken to mitigate risks are marked in yellow, drawing attention to recent efforts and facilitating quick review).<br>The meeting commended these changes which added to this valuable assurance document.<br>***Members NOTED and RECEIVED the updated College Risk Register.*** | |
| 16. | **<u>Dates and Times of Future Meetings</u>**<br>The Director of Governance confirmed that the next meeting was timetabled for Tuesday 25 June 2024 at 08.30am on Zoom.<br>***NOTED*** | |
| 17. | **<u>Any Urgent Business</u>**<br>• ***Retirement of Deputy CEO (RM)***<br>The Chair of Resources Committee (SF) closed the meeting by thanking the Deputy CEO (RM) for his input over the last 10 years at BCA and WFCG. SF flagged that this would be RM's last Resources Committee meeting before his retirement at the end of March 2024. SF thanked RM for his considerable efforts as Deputy CEO post-merger which had been a testing period financially for the new college group. She thanked RM for his knowledge and generosity in response to challenge from Resources Committee and the wider governing body; he would be missed. RM thanked the meeting for their kind comments and assured them that he was leaving the finances in the safe hands of the Group Finance Director (LG).<br>***NOTED***<br>There were no other urgent items of business raised. | |

**The meeting closed at 10.10 am.**

Chair............................................................ Date.................................................