

SANDWELL COLLEGE

Minutes of the Finance & Strategy Committee meeting held on
Thursday 25 November 2021, 4.00pm

Present: A Taylor Independent Governor (Chair)
 K Ellis Independent Governor (Chair)
 G Pennington Principal
 P Stanaway Independent Governor

In attendance: J Bailey Exec Director, Finance and Corporate Resources
 B Beaty Exec Director, HR and OD
 S Griffiths Exec Director, Strategy and Projects
 D Holden Vice Principal, Curriculum
 E Scotford Clerk to the Corporation
 J Stevens Principal, Cadbury College

Apologies: None

| | | Action |
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| F21.29 | <u>Welcome and Apologies</u> | |
| | All present were welcomed to the Committee. There were no apologies. | |
| | RESOLVED THAT: There were no apologies. | |
| F21.30 | <u>Declarations of Interest</u> | |
| | AT declared an interest in discussions regarding the Health Centre, Smethwick as a member of the Towns Fund Super Board and Chair of the Smethwick Towns Fund Board. | |
| F21.31 | <u>Minutes of the Finance & Strategy Committee meeting held on 24 June 2021</u> | |
| | RESOLVED THAT: The minutes were approved as a true and accurate record and were signed by the Chair. | |
| F21.32 | <u>Matters Arising</u> | |
| 32.1 | F21.17.1.8 – The College would work to further to find a suitable framework for the Capital Projects update report – actioned. | |
| 32.2 | F21.17.3.2 – The Exec Director, Finance & Resources, would update the main Board meeting on the second phase of Cadbury work – actioned. | |
| F21.33 | <u>Capital Projects update</u> | |
| | Multiple projects were underway and were at various stages of development. | |
| 33.1 | <u>Bennetts Hill</u> | |
| | The facility was now complete and operational. The College's Skills Division was working from the site. | |

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| 33.2 | Cadbury Science City – Phase 1 | |
| 33.2.1 | The facility was now fully operational. | |
| | <p>The main areas of focus were:</p> <ul style="list-style-type: none"> - The new build at Cadbury - Construction and civil engineering facility at West Bromwich <p>Work was underway with curriculum staff to finalise the designs and with the planners who were ready to commence work. Photographs of the construction would be available for the next meeting.</p> | |
| 33.2.2 NFP | | |
| F21.34 | <u>Strategic Plan update</u> | |
| 34.1 | <p>The 2-day staff development conference held before October half term shared the Strategic Plan outline with staff and sought their feedback. The feedback was reassuring and demonstrated that all parties: staff, management and Governors, were of one mind.</p> <p>The format and context of the 2-day conference was outlined. Staff had been impressed and motivated and commented that the College felt like one cohesive organisation now following the merger.</p> | |
| 34.2 | Staff agreed with the College mission and values and highlighted the inclusivity of the College as a key element for inclusion. The main areas highlighted by staff were the College being: supportive, inclusive and ambitious for its learners. Growth, quality improvement and solvency were key foundations to enable those values. | |
| 34.3 | The next Staff Development Day was planned for Tuesday 4 January 2022. The virtual link would be sent to Governors. | |
| 34.4 | <p>Governors asked if there was any differential in response between the campuses or was the feedback consistent.</p> <p>The College explained that transport had been put on to enable staff to visit other campuses to their own. Feedback had been positive and staff had appreciated the opportunity as it helped them to feel connected as a staff body and appreciate how big the College now was.</p> | |
| 34.5 | RESOLVED THAT: Governors received the Strategic Plan update and were pleased to note the positive staff feedback. | |
| F21.35 | <u>Skills and Post-16 Education Bill</u> | |
| 35.1 | <p>The report provided a synopsis of the main points of the Bill.</p> <p>The Bill seeks to localise much of the decision-making. There is a suggestion that Mayoral Authorities will drive Local Skills Improvement Plans rather than Chambers of Commerce. A specific section relates to Governors' responsibilities. Governors need to approve and have oversight of the Plans and the College's response.</p> | |
| 35.2 | The Bill strengthens the FE insolvency regime introduced a couple of years ago. | |

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| 35.3 | Reform of technical education is included in the Bill, with powers given to the Secretary of State to defund certain qualifications. | |
| 35.4 | The opposition have said they will not vote against the Bill. | |
| 35.5 | It will be for funding bodies to interpret the Bill. | |
| 35.6 | <p>Governors welcomed the useful summary and were interested to see how the Local Skills Improvement Plan developed but believed it was a step in the right direction to meet local need.</p> <p>There were currently 2 vacancies on the Board and recruitment of local employers or representation from the Chambers of Commerce would be useful and welcomed.</p> | |
| 35.7 | RESOLVED THAT: Governors noted the Skills and Post-16 Education Bill report. | |
| F21.36 | <u>Management Accounts</u> | |
| 36.1 | The Exec Director, Finance & Resources, briefed Governors on her attendance at the management accounts session of the recent AoC Conference. Openness was their main recommendation along with stressing that 'cash was king'. The College had a strong cash position. | |
| 36.2 | The financial position 3 months into the new year was outlined. Student numbers drove funding and the position continued to be monitored closely. | |
| 36.3 | Investment in the Skills Division and its focus on apprenticeships was starting to pay dividends, with promising initial results. | |
| 36.4 | <p>Currently a small surplus of £27k was projected against a budget of £10k but this was in the context of achieving optimum resourcing for learners. Operating surplus drives the financial health ratio on profit, i.e. the financial position after taking out non-cash items.</p> <p>It was noted that the pension scheme is a significant number that has to be reported in income and expenditure.</p> | |
| 36.5 | <p>Discussion took place on format and presentation of the management accounts, particularly how recurrent and non-recurrent spend was shown.</p> <p>The Exec Director, Finance & Resources, advised of her intent to refresh the format of the accounts and would take into account Governors' preference for tables rather than too much narrative to assist their understanding of the College's financial position.</p> | |
| 36.6 | <p>Governors understood that most of the projects were being funded by grants the College had secured and limits had been set. Governors were keen to understand projects like Nova Training and their impact on the budget and how the College would address any issues.</p> <p>Governors queried what was the College's exposure on capital projects, given recent significant uplifts in costs and labour.</p> <p>The College advised that it was at tender stage for future projects and had ensured that the tender documentation included a point mitigating against the risk of price increases. Project over-run time and costs could be planned for so there was headroom and contingency built in.</p> | |

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| | The College confirmed that Bennetts Hill and Cadbury projects had been completed on budget. | |
| 36.7 | RESOLVED THAT: Governors received and monitored the management accounts. | |
| F21.37 | <u>Risk Register</u> | |
| 37.1 | There were no major changes to the Risk Register which had been reviewed in detail in October 2021. Detailed discussion had taken place at the Audit Committee around pension risks. | |
| 37.2 | Risks specific to the Committee's responsibilities would be brought to future meetings. | |
| 37.3 | <p>Governors questioned if under-funding to support the Teachers Pension Scheme was included under pension liabilities.</p> <p>The College confirmed it had been added to the Risk Register when the employer's contribution rose from 16% to 24% as government support had not been confirmed but its support continued. Pensions would be a standing item on the Risk Register.</p> | |
| 37.4 | In response to a Governor's query , the College explained that the risk relating to increased National Insurance contributions had been absorbed into financial performance risk. | |
| 37.5 | RESOLVED THAT: Governors noted the Committee's areas of responsibility in the Risk Register. | |
| F21.38 | <u>HR Report</u> | |
| 38.1 | The Exec Director, HR and OD, updated Governors on main developments. | |
| 38.2 | <p>Recruitment had focused on catch-up activity which had been further strengthened with a senior appointment made as the scale of the operation increased. The role would co-ordinate the impact of that work which would be greatly beneficial.</p> <p>The College continued to recruit talented staff with recent actions focused on proactive work to strengthen and attract to join. A schedule of recruitment events was planned. Events would start in December to raise the profile of the College as an employer.</p> | |
| 38.3 | Employer relations update given. The College continued to work with trade union colleagues. There were remaining challenges but the College managed them effectively. The College worked in line new and emerging guidance in managing its case work. | |
| 38.4 | Staff development in the form of the first 2-day staff development conference in October 2021 was outlined, see also Minute No. F21.34. The unions were positive about the event and the feedback from staff was excellent. | |
| 38.5 | The Our Great College programme continued. The report's appendix outlined how the themes had been built into an offer for students. Positive feedback from students had been received. | |

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| 38.6 | Communication is a significant aspect of the department's work. Update given on the 'you said, we did' feedback. This had been complemented by some small in-depth focus groups. Ofsted expect the College to demonstrate how it had triangulated items raised and any trends emerging. | |
| 38.7 | <p>The College had been nominated as a Commendable College for mental health and wellbeing for staff and communities in the Beacon Awards and had subsequently made it through to the final. The assessors would visit the College w/c 29 November 2021.</p> <p>Governors recognised this was a great achievement, particularly at this time. If the College could perform so well in the Covid period that was a recognition of its quality of support.</p> | |
| 38.8 | <p>Governors noted the gender pay gap report and asked if the College was comfortable with the position.</p> <p>The College clarified that the report was based on average and not equal pay which could skew the statistics. Internal progression rates for females in the College were very positive and encouraging. In relation to the national picture, the College compared well, particularly compared to other local colleges.</p> <p>Governors asked if there was a timescale for achieving as close to parity as possible.</p> <p>The College explained that its responsibility was to report and take action. A new requirement will be ethnicity pay gap reporting.</p> <p>Governors recognised that the College would act with integrity in this matter to ensure equality and fairness.</p> | |
| 38.9 | RESOLVED THAT: Governors received the HR Report. | |
| F21.39 | <u>Policies</u> | |
| | There were no policies to review/approve. | |
| | <u>**CONFIDENTIAL SESSION**</u> | |
| F21.40 NFP | | |
| F21.41 | <u>Any Other Business</u> | |
| | There was no other business. | |
| F21.42 | <u>Determination of Confidential items</u> | |
| | Minute Nos. F21.33.2.2 and F21.40 | |
| F21.43 | <u>Date and time of next meeting</u> Thursday 17 February 2022, 4.00pm | |

The meeting ended at 5.30pm