

SANDWELL COLLEGE

Minutes of the Finance & Strategy Committee meeting held on Thursday 21 November 2024, 4.45pm

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| Present: | J Tew | Independent Governor |
| | L Capper | CEO & Principal |
| | A Taylor | Independent Governor (Chair) |
| In attendance: | R Pickup | Exec Director, Finance and Corporate Resources |
| | B Beaty | Exec Director, HR and OD |
| | S Griffiths | Exec Director, Strategy and Projects |
| | A Gordon | Deputy Principal, Curriculum |
| | S Virdee | Executive Assistant |

Apologies: None

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| F24.1 | <u>Welcome and Apologies</u> | |
| | All present were welcomed to the Committee. There were no apologies. | |
| F24.2 | <u>Declarations of Interest</u> | |
| | There were no new declarations of interest. | |
| F24.3 | <u>Minutes of the Finance & Strategy Committee meeting held on 8 February 2024</u> | |
| | RESOLVED THAT: The minutes were approved as a true and accurate record and were signed by the Chair. | |
| F24.4 | <u>Matters Arising</u> | |
| | There were no matters arising. | |
| F24.5 | <u>Capital Projects update</u> ED Finance & Resources and Simon Griffiths, ED Strategy and Development Projects are progressing well. With reference to the Cradley Heath Campus, the principal contractor, Spellar Metcalfe, are now on site as scheduled following the signing of the Construction Contract in October 2024. The build programme will see a November 2025 handover of the building, with likely operations starting in January 2026 onwards. The lead in time will allow the college to undertake working with stakeholders on needs and funding (particularly the WMCA), undertake marketing and raise interest locally. It was noted that the 'Phase 4' activity at Cradley, which includes the FECTF1 roof replacement is almost complete, with contractors concluding on time in December for submissions to the DfE as final monies have to be claimed by the end of the Calendar year. | |

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| | <p>It was noted that the 'Phase 2' at the Shaftesbury/Engineering Centre campus, was progressing well and is likely to be usable by students in early December, with plans for full usage rolling out in the new year linked to curriculum planning.</p> | |
| F24.6 | <p><u>Midland Met Learning Campus</u></p> <p>The Midland Met Learning Campus project has commenced.</p> <p>The completion of this project is expected by November 2025, with building handover to the Trust which will enable the College to enter and undertake its fit-out requirements.</p> <p>It was noted that this project has evolved over time, with other partners taking less space and the opportunity for the College to assess the range of provision could co-locate there looking again at Adult provision onsite (which was the original concept at bid inception) to how young people could use the site and use different modes of attendance to give students a variety of experiences on site and to look again at Apprenticeship, Skills and High-Level Learning to broaden the use of the spaces available.</p> <p>There was a noted risk regarding VAT, but confirmation was given by NHS that it will be their responsibility.</p> <p>The CEO emphasized the importance of curriculum planning and utilization of the new space and to think longer-term about how we want our new buildings to support our overall strategic and operational aims.</p> <p>Governors' noted that the potential request for additional funding could impact project delivery. The College acknowledged that these building would need to generate additional revenue and conversations, particularly with the WMCA, will be crucial. The WMCA are aware of the College's investment in facilities and how this would be an opportunity to grow our adult budget and play are larger role in adult skills. For young people, the new facilities are an opportunity to grow student numbers in those curriculum areas involved.</p> <p>A separate paper regarding was presented regarding the potential for additional space and potential availability of additional resources</p> <p>It was noted that the Town Fund for Smethwick currently has an underspend of c£4m due to the 'Grove Lane' regeneration project being delayed and this provides the Learning Campus project, with support from the College, to submit an Expression of Interest to try and secure additional funds towards to fixtures, fittings and equipment in that building. The likely value of the Expression would be in the region of £1m, which will then be considered by the Smethwick Town Partnership Board and Sandwell Council as the accountable body for the Town Fund.</p> <p>The Committee discussed the importance of ensuring the space aligns with the college's objectives</p> <p>The CEO confirmed that further clarification on the use of the additional space would be provided in the near future. A capital committee has been established to support decision-making in this area.</p> | |

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| | <p>Governors agreed on the expression of interest approach for additional funds and support for discussions with the Trust regarding the design and space utilization.</p> <p>A paper outlining the potential that additional floor space may bring will be brought to the full Board meeting on 2 December 2024.</p> | |
| | <p>RESOLVED THAT: The Committee approved the recommendation for a case for further space at the Midland Met Learning Campus and for this recommendation to be take to the full board in December 2024.</p> | |
| F24.7 | <p><u>Finance Report and Management Accounts</u></p> <p>Finance Summary (Month 2): The College presented the very early month 2 financial summary, the College is ahead of budget but with a note of caution that staffing and agency costs, as an example, could rise as student numbers are fully realised, Recruitment is currently aligning with budget expectations, and financial summaries by November will give us a clearer picture.</p> <p>Pay and Cash: The pay budget remains on track, any in-year growth from student numbers could deliver c£500,000 in-year, but would not be a known quantity until February 2025 at the earliest.</p> <p>Cash is ahead of budget, this is due in the main to expenditure on known capital projects being slower than anticipated, now that projects are fully operable cashflow should be brought back into line with expectations by the end of the year.</p> <p>It was noted that a £25,000, unplanned, credit was received from Lenovo for returned equipment, and a further credit are expected.</p> <p>The Executive Director of Finance confirmed that financial reports are reviewed by the CEO at the end of every month</p> <p>Governors inquired about potential risks due to political instability, particularly around national pay awards and potential strikes. The Executive Director of Finance noted that in the College's case, the pay award for staff had already been set at a 5% increase. Therefore, any additional funds from Government towards the FE sector to ease pay burdens will have a positive financial implication for us given our budgets included a pay award from existing resources.</p> <p>The CEO confirmed that growth funding is expected, pending the final return on the R04 which is submitted to the DfE in early December, however the College will need to continue to recruit students in-year to maximise the growth available.</p> <p>Governors inquired about National Insurance changes. The CEO feedback reassures from the Skills Minister at the national AoC conference that these additional costs would be fully funded by central Government</p> <p>Concerns were raised about digital access and digital poverty, particularly in relation to free school meals. The CEO noted ongoing efforts to improve take-up, alongside broader support for student services and healthy food provision.</p> | |

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| | The Executive Director of Finance confirmed that these matters would be discussed at the LQCC next week and that a quarterly review of statistics will be undertaken. | |
| F24.8 | <p><u>HR Report</u></p> <p>The ED for HR & OD presented the HR Report, which focused on four key areas:</p> <ol style="list-style-type: none"> 1. Recruitment: Continued efforts to attract staff are underway, with initial success. It was noted that the DfE's targeted retention scheme is also being utilised for this purpose. 2. Employee Relations: The College is working to maintain strong relationships with its recognised trade unions. 3. Absence and Wellness: The Employee Assistance Programme is now live and staff engagement will be reviewed in December. 4. Development and Recognition: The GROW programme is supporting staff development into supervisory roles. <p>The HR Director also noted the growing legislative focus on sexual harassment in the workplace, and the College is taking steps to address this, including rolling out training for all staff for inclusion in the staff development day in early January 2025.</p> <p>Governors expressed their support for the HR and noted the report's contents</p> | |
| F24.9 | <u>Students' Union Accounts and previous academic year</u> | |
| | <p>The Students' Union has successfully managed its budget, with income exceeding expectations.</p> <p>The grant provided to the Union has been increased from £20,000 to £30,000, and the Union has delivered further benefits as a result.</p> <p>Governors inquired whether the current budget is sufficient, given the increasing student numbers.</p> <p>ED F&R stated that the Students' Union budget is kept under review like many students' support budgets.</p> | |
| F24.10 | <u>Policies</u> | |
| 10.1 | There were no items for discussion under this section. | |
| F24.11 | <u>Risk Register</u> | |
| | <p>The Committee held an in-depth discussion regarding the refinement of the College's risk management approach.</p> <p>The ED F&R presented changes in two areas: learner recruitment and apprenticeships.</p> <p>The risk for learner recruitment has decreased, and contingency planning is underway for apprenticeships, given the potential in this particular area of a contraction in starts leading to a lower than anticipated level of revenue.</p> | |

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| | <p>The CEO highlighted the need to refine the College's approach to risk appetite and it was suggested that this could form an item for the forthcoming Governors' strategy day.</p> <p>Governors noted the risk and agreed that a review of how the College approaches and reports on risk would be a timely and helpful exercise to undertake.</p> <p>It was noted, that the College has been focussing on Cyber Security and conducts phishing tests.</p> <p>A three-stage roll out was explained. The first test indicated a higher level of staff accessing a phishing email, this was to be expected and following training and targeting of this weakness, the second test showed an improvement with a larger number of staff than before recognising a phishing email in their inboxes. A third round will be conducted, from which we will expect again few staff access the email. All tests are accompanied with mandatory training.</p> | |
| F24.12 | <u>Any Other Business</u> | |
| | No items were noted. | |
| F24.13 | <u>Confidential items</u> | |
| | There were no confidential items. | |
| F24.14 | <u>Date and Time of Next Meeting</u> <p>The next meeting of the Finance & Strategy Committee will be held on Thursday, 13 March 2025, at 4:00 pm.</p> | |

The meeting ended at 5.25pm

Signed: (Chair)

Date: