HEART OF WORCESTERSHIRE COLLEGE

Approved Minutes of Finance & Resources Committee

Held on Tuesday 11 November 2025
at 5.30pm Via Teams

Present:	**In Attendance:**
Tony King (Chair) David Ash (Governor / Chair of Corporation) Michelle Dowse (Principal) Paul Hine (Staff Governor) Muj Rahman (Governor) Steve Smith (Governor) Donna Gibson (Governance Professional)	Cherie Clements (Vice Principal Finance & Corporate Operations) Peter Robinson (Vice Principal HE, Adults & Curriculum Development) Jenni Price (Finance Manager) Emma Milsom (HR Manager) (Item 7.16) Julia Breakwell, Vice Principal Student Experience & Support) (Health & Safety Items and Managing Allegations Policy)

Item No	Item	Action For
7.1	**Welcome & Apologies** The Chair welcomed everyone to the first meeting of 2025/26. The Governance Professional confirmed that there were no apologies and M Rahman was expected to join the meeting. The meeting was quorate and could commence accordingly.	
7.2	**Declarations of Interest** There were no interests, financial or otherwise to be declared.	
7.3	**Approved Minutes of the previous meeting on 10 June 2025** The minutes of 10 June 2025 were noted.	
7.4	**Matters Arising From Previous Meeting** The Committee monitored the actions taken in respect of the minutes of the previous meeting noting that they were either complete or on the agenda.	
7.5	**Determination of any other business** There were no items of any other business.	
7.6	**Ofsted** The Principal informed the Committee that the Ofsted window is open, and a call could be received at any time. In terms of obvious additional costs, the increase in learners had led to costs in covering the teaching and some support for Governors on the Ofsted Group had generated some minor expenditure. The Chair asked how staff are feeling, are they prepared for when the call comes? The Principal responded that they are, work is ongoing on the messages we want to get across and there will a focus at the CPD day. There may be a little apprehension but that is because everyone wants to do their best. A Governor questioned whether Ofsted made changes in the wake of what happened with the School Headteacher? The Principal reported that significant changes were made. There is now a score card with 16 individual grades and that has replaced the overall grade.	

7.7	**a) Health & Safety Update Term 3 (24/25 Academic Year)** The Vice Principal Student Experience & Support (VPSES) joined the call, and the Committee received the Term 3 update. The Committee were informed that a lot of work had been done around Martyn's Law, Prevent and Security Briefings. Both fire service inspections had been completed and as expected had been conducted quite differently. An inspection is due for St Wulstans in Worcester as the next site. The Committee noted: • There was a slight increase across all sites in the number of accidents and near misses compared to Term 3 of 2023/24. • None of the accidents in Term 3 have required reporting as RIDDOR reportable. • In Redditch the rises were mainly attributable to minor industry related injuries within the Hair & Beauty department • In Worcester the rise was attributable to several falls by staff members or contractors and minor industry specific injuries experienced by the students such as cuts or grazes to hands when using tools and equipment. • Health & Safety Training – 68 staff completed H&S training sessions. • There are 110 first aiders across College - a reduction of 7, due to staff leaving or qualifications expiring. The Committee were reassured that there were no RIDDOR incidents and noted that as always, the report was clear and detail. The Committee recognised that there are usually some reports of slips and trips but there is always detail provided to support those.	
	b) Health & Safety Annual Report 24/25 The Committee received the report and noted: There is a Health and Safety Continuous Improvement Plan in place for 25/26 which includes a number of actions: • Education trips and visits review • Menopause workplace adjustment passport/plan • Protect Duty compliance • Health and Safety champions roll out • First aid newsletter and drop in sessions • Sampling of risk assessments • Review evacuation floor plans • H&S audit of Commercial catering/cafes The Committee were reassured that ELT receive regular Health & Safety updates.	
	c) Health & Safety Policy The Committee received the policy and noted that the key changes are: • Updated Job titles to reflect changes within College structure for example from CRQ Learner to Curriculum Manager, SLT to ELT etc • Updated links due to transition to new staff portal • Bleed kits section changed to Trauma Kits with expanded description and list of locations. • Updated Defibrillator section • Addition of Asthma Section (3.17) in response to education providers from Worcester County Council. The Committee noted that this was the annual yearly review and that a tracked changes version had been available in the reading room. The Committee agreed to recommend the policy to Corporation for approval and sign off by the Chair of Corporation, on behalf of the Board and the Principal. It would then be added to the College website and staff portal.	Governance Professional

	The Chair thanked the teams for their hard work in preparing the reporting.	
	With the Chairs agreement the VPSES remained on the call so that the Managing Allegations Policy could be dealt with.	
7.18c	**Managing Allegations Policy** The VPSES confirmed that the updates and changes made to the policy were: 1. Revised format and minor changes. 2. Alignment with Latest Statutory Guidance: The policy now reflects the most recent statutory guidance, including *Keeping Children Safe in Education 2025*, the *Online Safety Act 2023*, and updates to the *Prevent Duty*. 3. Removal of search policy paragraph (4) and included a reference to the Colleges Search Policy (9). 4. Removed professional code of conduct (2) and position of trust (3), a reference to the Colleges Professional Code of Conduct has been added. 5. Removal of Appendix 1 form. Reporting is via an online referral. 6. Contact Information: Updated contact details for the Local Authority Designated Officer (LADO), HR, and other relevant agencies The Committee noted that a tracked changes version had also been provided. The Committee agreed to recommend the policy to Corporation for approval. The Chair thanked the VPSES for joining the call. The VPSES left the call at this point.	Governance Professional
7.8	**Financial KPIs (including Funding)** **a) 2024/25 – Draft Final** • The Committee reviewed the 24/25 KPIs and noted: An operating surplus of £105k vs a budgeted deficit of £687k. • Small change on £115k position reported in June 2025, reflects final ILR income positions. • EBITDA is £1,444k and 5% of Adjusted Income (FEC Benchmark >6%) • Financial Health is 'Good,' which had been budgeted. • Cash balance at year-end is £10.9m vs budgeted £8.9m. The increase is a higher opening balance as well as receiving £1.2m Further Education College Condition Allocation (FECCA) capital funding in June. The Committee recognised that the operating surplus was a positive and also a reflection of prudent budgeting. It also noted the EBITDA compared to the FE Benchmark was encouraging. M Rahman joined the call at this point.	
	b) 2025 /2026 The Committee noted the key points as: • Operating deficit of £474k vs a budgeted surplus of £19k. • OFS funding notification received after budget setting process resulted in £163k reduction. • Costs associated with additional student numbers have been included within projections, approx. £320k. • No additional income has been included for the additional student numbers and College is unlikely to receive a decision until the end of Spring Term. • EBITDA is £1,133k and 3.4% of Adjusted Income (FEC Benchmark >6%) • Financial Health is 'Good,' down from 'Outstanding' which had been budgeted. • Cashflow reflects increased costs and updated funding allocations. • Capital spend continues as planned.	

	A Governor questioned the £474k v £19k. College Management advised that there was late notification of a drop in funding and costs were incurred for extra learners. The Governor sought clarification that it was just a question of timing? They were advised that it was. College Management advised the Committee that without knowing what funding if any will be provided the worst-case scenario will be assumed. The Committee were reminded that it will be next year when the College is advised of what it is eligible to receive for additional learners. The Vice Principal Finance & Corporate Operations advised that R04 will inform the allocation and will show how many learners we are over by. The Committee acknowledged that the College does not want to be turning away any learners. The Principal advised that increases in learner numbers will start to impact on other Teams such as Safeguarding and Careers. The Chair requested that the position be revisited at the next meeting and College Management bring details to that meeting.	
7.9	**Financial Statements Extract** The Committee discussed the extract noting that the Bishop Fleming audit is set for 2 weeks and that the Audit Committee will have full oversight of the financial statements. The Committee noted: • Underlying operating surplus is £105k compared to budgeted deficit of £687, this is a small reduction on the £115k surplus reported to in the June 2025 KPI's. • Unbudgeted restructuring costs for the year totalled £52k. • Under FRS102 pension costs in respect of the LGPS pension scheme are charged to the comprehensive income statement, this year it is a negative cost of £836k, and is included with the overall "Surplus / (Deficit) for the year". In addition, the "actuarial loss" in respect of the LGPS pension scheme, totalling £836, is included in the comprehensive income statement on its own line. • The current pension valuation has seen an increase in the asset position of £11,211k to £13,729k. Based on accounting treatment, advised by Bishop Fleming and the Accounts Direction, we have not recognised this as an asset, but rather at "zero" within the balance sheet on 31 July 2025. A Governor asked whether the College Management anticipate a positive outcome from the audit. College Management responded that they did. A Governor questioned the numbers in the extract that referred to notes and wondered if they needed to be seen by Governors. They were advised not at this point; the extract is intended to provide the Committee with sight of the information. Audit Committee would receive the full statement which will include the notes referred to. The Committee noted that the financial statements will go through Audit Committee and on to Corporation for approval.	
7.10	**Learner Numbers** The Committee reviewed the learner numbers provided noting that it was taken from R02 in October. The Committee noted the following: • 16–18 Allocation: 2,752 learners vs. allocation of 2,579 (+173). Withdrawals are reviewed weekly; numbers are expected to decline but remain above allocation. • Higher Education: Part-time numbers are down by 12 learners; full-time learners are up 16. CIPP numbers exceeds budget; the position will be reviewed after the OFS return has been made.	

	• DfE Adult Skills Fund: Budget £1,989,560; R02 claim indicates £1,270,559 (including subcontracting). • Advanced Learner Loans: Budget £352,972; R02 claim indicates £193,872. • WMCA: Indicative budget £1,000,000; R02 claim indicates £497,988 (89% subcontracting). • Apprenticeships – Total Budget for HoWC delivery is £1.7m and 251 new starts, current new starts on the ILR at R02 were 51 with total potential funding from these new learners and those carrying into 2025/26 total £940,122. £31,000 was budgeted for subcontracting delivery and current learners indicate funding of £145,915. The Chair asked what should the Committee be concerned about the numbers and budgets within the paper? College Management responded that adult funding is a concern, that there may be some over delivery. The position is being kept under review. College Management advised that WMCA had given notice that submissions to them will be rigorously assessed. It is assumed this is because they are anticipating a drop in funding themselves, so may be exercising constraint. The Committee found the explanation from College Management very helpful and noted that adult funding next year may be a difficult area to navigate.	
7.11	**DfE Dashboard Confirmation Letter** The Committee noted the letter had been circulated as a follow-on item. The attachments provided showed sector comparison; an increase in numbers and reflected a positive position overall. Access to the dashboard is being arranged for Governors.	
7.12	**Tender Committee Update** The Committee noted that an Emergency Tender Committee took place on 2 September 2025 and a Tender Committee took place on 21 October 2025. The tenders considered were for the urgent procurement of portacabins for Redditch and the reinstatement works for P block. The Committee noted that in line with our provisions there had been Governor representation at the Tender Committee meetings. Both meetings had complied with the processes in place.	
7.13	**Project Updates** This was the first time the Committee received the report which had been requested by the Committee itself. The Committee noted that there were 6 active projects of which 4 would complete in 25/26 • DfE Transformation Fund – Infrastructure renewal across the College estate. • Capital Development Fund, CDF Youth Hub – Careers space in Redditch Peakman Campus academic year. • Innovate (UK) – Extension of previous project for a second year. The focus has moved towards the Education sector, compared to last year which was on Engineering and Manufacturing. • CDF Apprenticeships – Encouraging employer interest and support for apprentices with additional support needs Projects that will have final reporting stages in 26/27 are. • Further Education Classroom Catalyst Allocation, (FECCA) – Capital for Inspiring Environments • Higher Technical Qualification, HTQ Catalyst Fund – Marketing and equipment for new HTQs. The Committee noted that several projects had finished: • Learning and Skills Improvement Fund, LSIF Business Hub (Worcester) – Increased space for employer engagement. • Innovate (UK) – Investigating and supporting AI use in engineering industries.	

	• National Star – Partnership to support increased demand for SEN provision. • T Levels Specialist Equipment Allocation – Creating Campus Health Wards. • DfE Re-classification Fund – Estate Improvements. • HE L4/5 Projects – Improved IT facilities and increased promotion activity. The Committee found it useful to have the information presented in writing. A Governor asked if the projects generally have criteria in place to ensure a timely finish or specified budget parameters? The VPHEACD confirmed they generally have their own unique and specific deliverables, and a need to be delivered to budget. The Governor asked whether the benefits are being realised, have projects delivered? It would be useful for Governors to have that assurance. College Management responded that this was a valid point and could be included in the reporting. The Committee expressed their thanks. The Committee noted that there are some new potential projects for 25/26 - Digital Innovation Fund, Redditch Borough Council Voluntary Training Project, Act On Energy. The latter is an organisation that the College is keen to maintain for this year.	VPHEACD
7.14	**GDPR Annual Report** The Committee noted that the report presented an overview of compliance with Data Protection and Freedom of Information legislation for the 2024–25 academic year. The Committee were informed that: • All staff receive GDPR training appropriate to their roles and are expected to take responsibility for the personal data they collect or process. • In 2024/25, the College received 2 SAR requests compared to 7 in the previous year. • The DPO dealt with 16 FOI requests compared to 19 received in the previous year: The Committee noted that the Audit Committee requested a review of the DPO role within College during 2024/25 and as a result the College now has external specialist support. A Governor questioned what the previous staff would be doing now that an external provider had been appointed. They were advised that the staff were continuing with their roles in College, the GDPR role had been undertaken as supplementary to those roles. A Governor observed that the appointment was a positive step forward and would provide Governors with assurance and should also reduce the number of times the external legal advisers need to be contacted. A Governor commented that there had been benefits to the Audit Committee focusing on this particular area and the progress demonstrated the impact of that scrutiny.	
7.15	**KPIs for Place, Planet & People** The Committee reviewed the KPIs, noting that they were in the new format. The Committee noted the following: Potential – the 42-day attrition rate is currently at 8% and rated as amber as it is above the 7% target. The College has seen a significant increase in additional 16-18 learners which will have impacted upon this measure. A LEOP panel was established during 2024/25 and continues into 2025/26, to review and scrutinise every withdrawal whilst ensuring that the process remains robust. The Committee were advised that any decision to exclude learners is not taken lightly and a number of factors are taken into account including the direct impact of the learner not being in education, but also the impact on the student experience for others. People – the Committee were informed that College Management are looking to develop the process of measuring the “Industry updating” KPI, to ensure the measure is meaningful. The Committee will receive a further update at a future meeting.	

	The Committee were reassured to note that staff retention is above target. With regards to sustainability the Committee were encouraged to see that the target of 55% is higher than the 45% achieved at the end of 2024/25 and noted that the College will be procuring “Green” energy on some electricity contracts which will have a positive impact on the measure. The Staff Governor was asked if they agreed that everything is going in the right direction. They confirmed that it is a true reflection of what is happening within College. The Committee suggested that it would be useful if a column could be added to show the movement clearly or some sort of benchmarking. The Committee agreed to recommend the KPIs to Corporation for approval.	VPFCO Governance Professional
7.16	**a) HR Report** The Committee received a comprehensive overview of HR activity and workforce trends at HoW College for the academic year 2024/2025. It includes analysis of gender pay gap, sickness absence, staff development, wellbeing initiatives, recruitment and retention, and outlines priorities for 2025/2026. The Committee noted that the report incorporates a summary of the DfE Workforce Benchmark Report for 2023/2024, enabling comparison of HoW College’s workforce profile against national averages across gender, age, ethnicity, and salary. This benchmarking data supports strategic planning and highlights areas for development in recruitment, pay equity, and diversity. The Committee were pleased to see this inclusion which had been requested at previous meetings. A number of headlines were noted including: **Workforce Demographics:** • Gender: 68.4% female, 31.42% male, 0.18% other. The gender pay gap has reduced to 6.40% (mean) and 17.50% (median). • Disability: 3.31% of staff disclosed a disability • Age: 25.13% of staff are aged 50+, with 31 staff aged 66+. • Ethnicity: 86.17% White; the Committee noted that the diversity levels are consistent with the previous year. **Sickness Absence:** • Average sickness absence reduced to 6.66 days per employee (from 7.32). • Stress-related absence Increased to 2.51%; Mental health absence increased to 4.30%. **Staff Wellbeing:** Wellbeing is being embedded across College, with initiatives including: • Updated Employee Wellbeing Policy • Mental Health First Aiders (MHFAiders) • Employee Assistance Programme (EAP) • Menopause Support Group and Pledge • Neurodiversity awareness and training • December Staff Development Day dedicated to wellbeing **Staff Development:** There were five whole-college CPD days delivered (3 full, 2 half days). **Recruitment & Turnover:** • Turnover: 13.98% (down from 16.83%). • Recruitment: 81 new appointments; 189 vacancies advertised. • Challenges in recruiting to specialist and lower-graded roles. • Agency use limited due to cost and quality implications.	

Benchmarking (DfE 2023/24):

- Strong gender representation in leadership (58.33% female).
- Mature workforce profile; under-30s slightly below sector average.

Strategic Priorities for 2025/26:

- Roll out People Strategy to address ageing workforce.
- Enhance HR analytics and recruitment strategy.

A Governor acknowledged that the report was a good summary and useful for Governors. It is good to see wellbeing being prioritised and it is reassuring for Governors to see the benefits.

A Governor stated the report read well and was a positive step forward.

The HR Manager advised that some of the statistics will be used in recruitment campaigns.

A Governor observed that it was useful to see performance management included within the reporting.

The HR Manager reported that steps would be taken to support those staff who are less engaged.

A Governor asked if we are an outlier in the sector, referencing the 14%. They were advised that AoC stopped providing data. The College is known to be below for the education and public sector.

The Principal informed the Committee that reporting on HR matters to ELT have improved and ELT monitor to see whether there are any emerging themes.

A Governor suggested that with regards to retention any connection to age should be considered, perhaps also keeping an oversight of the ages being recruited to posts.

The HR Manager informed the Committee that internal promotions have increased and at recent inductions career progression in College was seen as a positive.

The Committee observed that the use of agency staffing was still an issue. The Chair questioned does this demonstrate that we are still struggling to recruit? In response they were advised that in areas of specialist provision there are some challenges, there has also been an increase in learners and an increase in staff to teach those learners was required quickly.

The Staff Governor observed that different ages have different approaches to work experience and differing skills levels. The HR Manager reassured the Committee that to avoid the loss of experience mentoring and coaching roles could be considered as way of retaining skills sets.

b) Staff Survey

The Committee discussed the outcome of the Staff Survey – Summer 2025 and noted:

- Overall participation in the survey was 76% with 409 of 535 staff participating, a decline from 80% and 435 staff completing the survey in 2024. College Management advised that this may have been due to releasing the survey later in 2025 and this would be reviewed for 2026.
- All Questions have improved on the summer 2024 survey.
- The biggest improvements on 2024 survey include the Senior Leadership Team Section, Pay & benefits, Wellbeing.

College Management reported that overall engagement is at 90% and confirmed there are a number of departments with low levels of engagement. Steps are in place to address those areas and College Management acknowledged that the areas need to improve. The Committee were assured that the areas involved are aware of their position and that the results of the survey are discussed at staff briefings and Cascade meetings,

A Governor commended the results despite those areas and acknowledged it was appropriate for Governors to be made aware.

	The Committee noted that the company who run the staff survey on behalf of the College will be making a short presentation to Corporation at the December meeting. This was to ensure that the Board hear it firsthand as the results are very encouraging. The Principal advised that further consideration would be given to making a submission for The Times Best Company Award. A Governor agreed that receiving external assurance is good for Governors to hear and complimented the excellent data that had been added to the reading room. Governors suggested where possible that some of the data should be used for recruitment purposes. The Committee noted the Staff Survey Action Plan Update.	
7.17	**Sustainability Annual Report 24/25** The Committee received the report noting that it covers the initiatives in place, progress made to date and the focus for the next year. The Committee noted that the report was very detailed with many success stories included. The Committee were pleased to note that consideration was being given to green tariffs for energy, noting that this had been discussed at previous meetings. The risk identified in the cover paper was acknowledged, the Committee noted an increasing risk that the College will find it hard to maintain the pace of Co2 reductions, achieved so far, as we progress beyond the 50% reduction target. The College is close to its core energy consumption to meet the level of activities. There are other influences such as the Estates review and other developments. In some cases, these will aid progress to target, such as reduced buildings, and some, new equipment, will draw away from the target. The VPFCO informed the Committee that the College uses the Laser Purchasing Consortium who offer favourable prices. The Committee were reminded that buildings remain open on Fridays to provide learners with a space that is warm and safe. This has some impact as heating and lighting resources are used. The Committee agreed that this was an appropriate course of action. Ofsted are also likely to ask what provisions are made for vulnerable or disadvantaged learners. The Governance Professional advised that during 25/26 there will be some engagement linked to Governance and some input from the Lead Governor for Sustainability. The Committee thanked the VPHEACD for the comprehensive report and the work of the College Eco Group. The VPHEACD left the call at this point.	
7.18	**a) HE Fees Policy** The Committee noted the key changes: • Policy rolled forward for a further 12 months. • Updated link to Student Eligibility for Tuition Fee Loan • Fees have been increased by 2.9% for 2027/28. • Additional point added that from 2027/58 intake onwards the College may increase fees by inflation, ensuring the College can maintain contribution rates given increases in pay and non-pay costs. • The white paper published in October 2025 sets out the following reforms impacting upon Tuition Fees for Higher Education o Tuition Fee Caps will rise in line with forecast inflation for the next two academic years (2026/27 and 2027/28).	

	◦ Legislation will follow to allow automatic annual increases tied to inflation, but only for institutions meeting quality thresholds set by the Office for Students (OfS). • The current cap for 2025/26 is £9535 and the College is still tracking under this. The Committee agreed to recommend the policy to Corporation for approval.	Governance Professional
	b) Procurement Policy The Committee noted they key changes to the strategy. • Additional points added through the Policy to reflect the Procurement Act 2023 • Lower of the tender limit to £30,000 reflecting the need for spend above this limit to be advertised on "Contracts Finder." A Governor asked whether the Procurement Act would have much impact? They were advised that much of the work is done behind the scenes by an external provider on behalf of the College. The Governor acknowledged this and offered their support should it be required, noting that it was good to have the burden removed from an internal perspective and Governors should take assurance from that. A Governor observed that the implications of the Act could mean processes take longer, using a specialist resource will ensure that all the boxes are ticked. A Governor asked for assurance that there were no implications around Managing Public Money? They were advised that the DfE and Treasury have not issued any new requirements yet and we will continue to apply the Value for Money principles that are always applied. The Committee noted that there were some points that may need to be clarified from the Financial Regulations and incorporated into the document. The Committee approved the policy in principle and noted that approval may be sought outside of the December Corporation.	VPFCO/ Governance Professional
	c) Managing Allegations Policy Covered at the start of the meeting.	
	People Strategy The Committee noted that the strategy had been through ELT. The College does not presently have a strategy dedicated to capturing the College commitment. to creating a workplace where every colleague feels valued, supported, and empowered to thrive. The Committee noted that the strategy provides a clear framework for attracting, retaining, and developing our people in line with our values and strategic goals. ELT are considering a strategy for each of the 7 Ps of the College Strategy. The Strategy is aligned with other key policies, including Equality, Diversity and Inclusion, Wellbeing, Safeguarding, and the Roadmap to Success.	
7.19	**Meeting Effectiveness & Reflections** The Committee reflected on the effectiveness of the meeting, considering whether there was sufficient challenge and if the discussions provided an appropriate level of assurance for Governors: • Good balance of material in the reading room and the main papers • A lot was covered but also given adequate attention • The pace and presentation were just right • The presentation of the papers and the links provided really help when navigating the papers • Plenty of opportunities to ask questions • Helpful to have track changes versions in the reading room • Just the right balance was struck between papers and the extra detail provided	

	• Main papers were concise and focused • The layout of the pack, the structure of the agenda and the reading room links are very effective	
7.20	**Any Other Business** There were no items of business to be discussed. The Staff Governor left the call at this point.	
	Date of next meeting: 3 March 2026 @ 5.30pm via Teams	