

**Approved Minutes of the Finance & Resources
Committee Meeting**

**Held on Tuesday 10 June 2025 at 5:30pm via
Microsoft Teams**

Present:

Tony King (Chair)
David Ash (Governor & Chair of Corporation)
Michelle Dowse (Principal)
Paul Hine (Staff Governor)
Muj Rahman (Governor)
Steve Smith (Governor)
Donna Gibson (Clerk)

In Attendance:

Cherie Clements, Vice Principal Corporate & Finance Operations
Jenni Price, Head of Finance (Items 6.7 to 6.12)
Julia Breakwell, Vice Principal Student Experience & Support (Item 6.6)
Emma Milson, Head of HR (Items 6.15 to 6.17)
David Wright, NLG (Observing)

No.	Item	Action For:
6.1	<p>Welcome & Apologies</p> <p>The Chair welcomed all to the meeting, noting that the VP Student Experience and Support and the Head of Finance had joined the meeting. It was noted that the Head of HR would be joining the call later in the agenda. David Wright (NLG) was observing the meeting as part of the NLG support process,</p> <p>The Principal advised that she would be covering the projects update item as the Vice Principal, HE, Adult & Curriculum Development was attending an important meeting off site.</p> <p>The Clerk confirmed that there were no further apologies, and the meeting was quorate.</p>	
6.2	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
6.3	<p>Approved Minutes of the Previous Meeting on 11 March 2025</p> <p>The minutes from the March meeting were agreed.</p>	
6.4	<p>Matters Arising</p> <p>It was noted that items were either complete or on the agenda.</p>	
6.5	<p>Determination of Any Other Business</p> <p>A member advised that they had one item that would best be covered with the confidential items.</p> <p>Ofsted Impact – the Principal advised that the item would be picked up under the Confidential Agenda</p>	
6.6	<p>Health & Safety Update Term 2 (24/25 Academic Year)</p> <p>The Committee noted the reporting that had been provided in the main papers and the reading room. It was further noted that:</p> <ul style="list-style-type: none"> Assurance could be taken that there had been no RIDDOR reporting. 	

	<ul style="list-style-type: none"> • Completion of training was up to 96% and may increase further. • Additional reporting is in place for all fire alarm activations. • At the request of the Committee, the items covered at the health and safety committee had been included. • A Fire Service inspection had taken place in Worcester. The Committee were advised that staff were involved in the inspection and noted a difference in approach since the previous inspection. It was surmised that this is likely connected to the Grenfell Enquiry. There were some recommendations, and a plan would be put in place to action those and any that may arise from the upcoming inspection for the Redditch campus. <p>Governors noted that the report had stated that reasonable levels of fire safety are in place.</p> <p>The Principal took the opportunity to advise the Committee that ELT had looked at the recommendations, taking door access as an example and their effectiveness in the event of an incident. Governors were assured that there are no issues with the speed at which staff evacuate buildings when the fire drills are done, the doors have no impact on the time it takes.</p> <p><i>A Governor asked if advance notice is provided by the Fire Service. They were advised that usually around 2 weeks' notice is received.</i></p> <p><i>A Governor asked if it was the same fire service. They were advised that it is, but the inspector will be different. This may mean a different approach may be taken compared to the first inspection.</i></p> <p><i>A Governor asked whether any outcomes of the Redditch inspection would be available before the July Corporation meeting, along with the action plan and costs, acknowledging that it may not be possible to provide financial implications at that point. In response, they were advised that depending when the report was received, it may be possible.</i></p> <p><i>Governors were assured by the additional reporting included for the item.</i></p> <p><i>The decrease in first aiders was noted and Governors challenged whether it was an ongoing issue and what was being done to address it. They were advised that it is an ongoing issue that would be addressed using an external training provider.</i></p> <p><i>A Governor stated that it is good to hear that recommendations from the report are being considered so promptly and that they would feel further assured if there was a plan, as mentioned, that shows action to be taken, when and the costs.</i></p> <p>Management advised that some of the works in All Saints could be done during the summer break.</p> <p><i>A Governor suggested, from their own understanding of the inspections process, that we would have been told immediately, had any serious concerns been identified at the time of the inspection.</i></p> <p>All agreed that Governors do take health and safety, and their responsibilities as Governors seriously.</p> <p>The Committee received the update provided. The Chair would feed back to the Corporation in July on the discussions that had taken place.</p>	
	The Vice Principal Student Experience and Support left the call.	
6.7	<p>Financial KPIs 24/25 including Funding</p> <p>The Committee reviewed the KPIs and noted:</p> <ul style="list-style-type: none"> • A surplus of £45k rather than the deficit budget forecast previously 	

- Bank covenants are being met.
- Financial Health is Good

The Committee noted that the following areas had contributed towards the position:

- Unbudgeted Post16 budget grant
- An increase in Element 3 Funding and OFS allocation
- Reduced LGPS costs from April 2025
- A staff pay underspend of £575k but offset by Agency spend of £447k.
- A reduction in utilities rates

The Committee noted that areas showing contributions that were RED are being looked at via the curriculum delivery review process.

Governors acknowledged that the result of having any surplus was a great position to be in. However, there is still a concern about the use of agency staff to fill vacancies. The Chair asked that this be kept under review, noting that costs appear on separate reporting lines. Management confirmed that teams are keeping this under review and alternatives are being explored including revised recruitment approaches and recruiting agency staff into posts within the staffing establishment.

The Chair of Corporation expressed their appreciation to staff for reaching a surplus position, noting that to have even a modest surplus amount, after having responded to the need to increase staffing to support the improvement of teaching and learning, was a great result.

The Principal reminded the Committee that the result is pleasing, but recruitment is still a challenging area with several things having to be balanced. A number of teachers have taken up the teaching initiative with over half of the applications receiving funding. However, from an Ofsted perspective an overuse of agency staff does not support improving the quality of teaching and learning.

A Governor observed that a small surplus is a better position to have than having a deficit amount but agreed that having a large number of agency staff would be a difficult position to sustain and could have an impact on quality.

The FEC benchmarks were noted with most being Green and with some remaining Amber. Governors noted that being a multi-site campus makes meeting the pay costs a challenging area, with additional costs.

A Governor questioned whether receipt of grant funding would always lead to a surplus position? In response they were assured that a prudent approach is applied to budgeting. The Committee noted that DfE had been late in delivering announcements, often with little information to support them. Unless more information is provided or a best estimate can be obtained, items will not be included. The Principal confirmed that additional funding opportunities are always being sought.

A Governor questioned the month by month cashflow, does the income reflect salaries and so on They were advised that the reporting shows when cash comes in and reflects the funding stream. The previous year's profile is also taken into consideration.

A Governor asked about the non-pay costs for National Star and whether the contract breaks even. They were advised that additional income and expenditure is incurred, the College retains a management fee, and a subcontracting amount is paid to National Star.

Having reviewed and discussed the KPIs Governors were assured that despite the investment in additional posts, the financial position had not declined, and noted that financial health remained Good.

<p>6.8</p>	<p>Learner Numbers</p> <p>The Committee noted the main points from the report:</p> <p>ASF (Adult Skills Fund) for 2024/25 totals £2,184,506, the current R09 claim indicates total potential funding of £1,695,614 (including subcontracting) providing a projection of £1,943,854.</p> <p>Tailored Learning (Community Learning) projections are reduced to £300k from £492k Funding rules changed for 2024/25 clawback.</p> <p>Growth requests have been submitted to the WMCA for subcontract delivery from the 50% flexibility allowance (in allocation), to allow for more delivery in the allocation.</p> <p>The budget for apprenticeships delivery is £1.6m (244 new starts). Currently new starts are at 213 with potential funding totaling £1,565,610.</p> <p>£280k was budgeted for subcontracting delivery for 130 learners the projections are expected to decline to £237k.</p> <p>The Principal was pleased that ASF was likely to be achieved. This had not been the case for several years. The College had responded to the DfE request that everything that could be done in this area be done.</p> <p>The Committee acknowledged that time may be against the College now and that the clawback for tailored learning is a risk.</p> <p><i>A Governor asked about T Levels.</i> They were told that in-year not much can be done. New pathways next year would see an increase, but this was not likely to be anywhere near £107k and would be around £70k. The Committee noted the position was disappointing but recognised that other colleges are in a similar position, with those colleges with A Level provision are faring better.</p>	
<p>6.9</p>	<p>Revenue Budget 25/26 including Bank Loan & Covenant Update</p> <p>The Committee noted that the budget required Corporation approval. Governors were advised that there would be some minor amendments to be made before the paper was presented at the July Corporation meeting, this was to allow recent announcements from the DfE to be incorporated. The revisions would be clearly noted.</p> <ul style="list-style-type: none"> • The Committee agreed and noted the comprehensive narrative in the report: • The budgeted deficit of £772k • Cashflow would keep a financial health rating of Good. • The Covenants would be met. • The change to EBITDA <p>The Committee was told that whilst applications are increasing, acceptances are being monitored closely to see if they convert into numbers.</p> <p><i>The Committee noted the position and asked Management if they considered the budget to be over cautious.</i> Management reported that the intention is to have a balanced budget which is a challenge with the higher pay costs gap and the costs of maintaining a dispersed estate. <i>The Committee acknowledged that the budgeting process is always prudent, aims to be balanced and that there are ongoing challenges.</i></p> <p><i>A Governor questioned what the impact is of an increased number of learners and the capacity that can be accommodated.</i> They were advised that this is picked up during the curriculum planning process, other factors that contribute to the process are reviewing acceptances and applications, class group sizes and staffing resources. The Principal added that creating class groups is a challenge, the numbers do not always come in where they are expected, leading to extra considerations for classroom capacity and monitoring the viability of groups.</p>	

6.11	<p>DfE Financial Submission 24/25, 25/26 - 3 year financial plan The submission was included for recommendation to Corporation for approval.</p> <p>The College Financial Forecasting Return (CFFR) needs to be submitted by 31 July 2025 along with a supporting commentary. The Committee noted that it includes an outturn position for 2024/25, budget for 2025/26 and forecast for 2026/27, and an assessment of the College's financial health at the end of each year.</p> <p>The Committee noted:</p> <ul style="list-style-type: none"> • The key highlighted reported under income, pay costs and non-pay costs. • The Santander Covenant would be met at all times. • The 25/26 forecast suggests a deficit of £1279k. • Changes to EBITDA and financial health, noting that in 2027 that financial health would be requires improvement. <p><i>A Governor asked about the proceeds from the sale from Osprey House. Whilst more detail would be provided under the confidential items the Committee were informed that the sale would improve the balance sheets and the costs of running the building would be removed.</i></p> <p>Subject to the revisions discussed, the Committee agreed to recommend the submission for Corporation approval.</p> <p>The Head of Finance left the meeting at this point.</p>	
6.12	<p>CEFSS Action Plan</p> <p>The Committee noted that the item had been included to close the item and that the actions have been completed or are now embedded across the day to day business of the College.</p> <p>Assurance was taken from the update in the reading room that provided a summary of each action, its status and where assurance could be evidenced.</p> <p>For the benefit of new members, the CEFSS process was explained, and some background information provided as to how the College had become engaged with the process.</p> <p>All agreed that the process had been very useful and had provided several benefits as well as supporting decision making.</p> <p>The Committee agreed the closure of the item and that reporting to the Committee could stop.</p>	
6.13	<p>Verbal Update on Projects & Current Bids</p> <p>The Committee were informed that the Vice Principal, HE, Adult & Curriculum Development was at a meeting offsite, linked to possible future collaboration. The Principal ran through the projects cycle and the Committee noted:</p> <p>ELT review projects as part of the five week cycle that the ELT meetings follow. Projects span three categories: those coming to an end, for example the LSIF project; projects that are being expanded – such as the Innovate Project (the Committee had received a presentation on that at the start of the project) and Others / Bid Ready - for example Act On Energy.</p> <p>The bid to the WLEP for the Act On Energy project had not been granted but alternative ways of funding the project are being explored.</p> <p>The Cadet project with the Royal College of Nursing had seem several students involved with the Alexandra Hospital. The project was funded by the Integrated Care Board, who themselves have seen cuts to their budgets which has impacted upon the funding available. Alternative means of continuing the project are being explored, including whether we can continue it as a HoW College</p>	

	<p>initiative.</p> <p>Legacy and inherited projects have been dispensed with and the Principal informed the Committee that it was important that projects provided value and can be monitored.</p> <p><i>The Chair requested a summary of all projects along with details of associated risks, cost details and a timeline. The summary would be presented at each meeting.</i></p> <p><i>A Governor reminded Management projects should also fit with Government initiatives where appropriate.</i></p>	<p>Vice Principal, HE, A&CD</p>
<p>6.14 Sub-Contracting Partners 2025/26</p>	<p>The Committee noted that the sub-contracting arrangements for 25/26 require Corporation approval.</p> <p>The 2025/26 activity will be for ten subcontractors.</p> <p>2 for Apprenticeship delivery - no new starts will be contracted post 31 July 2025. 5 for the Adult Skills Fund – one will have no new starts contracted post 31 July 2025. Due to the reduced funding allocation confirmation is awaited of the four partners that will use the WMCA allocation. 1 subcontractor for Tailored Learning 2 for Study Programmes – one is a new contractor that the College has worked with for some time.</p> <p>Due to a reduced funding allocation for 2025/26 one subcontractor will be removed from the Colleges list of subcontractors. The remaining ten are subject to the due diligence that is undertaken by the College. The Principal reported that a plan is being put in place should there be any negative repercussions from losing the one subcontractor that would not be continuing.</p> <p>The Committee were reassured by the robust approach taken towards this area and were encouraged that the improved reporting provides Governors with assurance in an area that was of concern previously.</p> <p>The Committee agreed to recommend the Subcontractors for 25/26 for Corporation approval.</p> <p>The HR Manager joined the call.</p>	
<p>6.15 KPIs for Place, Planet & People</p>	<p>The Committee reviewed the reporting of the KPs for the non-financial themes of Place, People and Planet and noted:</p> <p>Room utilisation is showing as RED, this can be contributed to a change in timetabling for 2024/25 particularly around English and Maths. The 42 day retention is AMBER, a small increase on 23/24 and below target of 6%. The Committee noted the Green KPIs for Place and People.</p> <p>For the newer Governors, the Principal gave some context to the completion rates for the staff satisfaction survey, which at the time of the Principals appointment was only at 30%.</p>	
<p>6.16 Annual HR Report</p>	<p>The HR Manager provided a comprehensive update on HR matters and initiatives.</p> <p>The Committee noted:</p> <ul style="list-style-type: none"> • Female staff make up most of the workforce. • 27 staff are aged 66 years or older, 45% are aged 50+ • The ethnicity of the workforce is majority white, this is reflective of the local demographic. • Lost days due to sickness absence have decreased. • Stress relation, long term sickness and mental health absences have decreased. 	

	<ul style="list-style-type: none"> • There is a continued focus on mental health. • Wellbeing has been embedded into staff development and internal communications. • Introduction of the "Let's Talk" wellbeing newsletter. • The College has signed the Menopause Pledge and AoC Mental Health Charter for the second year. • Ongoing training for managers in key HR areas as been introduced. • Staff turnover has increased to 16.83% from 13.11%. • There have been 29 internal promotions. • Recruitment challenges persist, especially in specialist and lower-paid roles. • Exit interview feedback is being reviewed to inform retention strategies. • CPD days participation is strong. • Departmental CPD days have been introduced. <p>The Principal acknowledged that good improvements have been made to staff CPD in 24/25 and that will be taken a step further in 25/26 with the built in of weekly sessions.</p> <p>The Principal requested that some analysis be undertaken on the ethnicity of our students versus the staff base.</p> <p><i>The Chair asked the Staff Governor if they saw anything of concern. They responded they did not and acknowledged that staff had been boosted by the staff survey being outsourced externally, as there were concerns about the confidentiality and anonymity.</i></p> <p>The Head of HR confirmed that the focus on wellbeing for staff and students would be aligned so that they can be promoted at the same time.</p> <p>Another focus would be to have an improved onboarding process and a move back to face-to-face Corporate Induction.</p> <p>It was agreed that the Head of HR would:</p> <ul style="list-style-type: none"> • Bring an updated report to the Autumn Committee to compare 2024/25 & 2023/24. • Include data to compare our workforce to the sector, using the DfE Workforce Data. • In the absence of AoC benchmarks would explore benchmarking with other similar colleges like HoW College. <p>The Committee noted the content of the HR Report and the supporting documentation.</p>	Head of HR
6.17	<p>Staff Survey Action Plan Update</p> <p>The Committee were reminded that the main annual survey has been pushed back until the end of the academic year for 24/25, a full report will be provided to the next F&R Committee.</p> <p>The Committee noted:</p> <p>The areas of focus and the impact measures for 24/25 That the ELT target was >64% of staff indicating they strongly agree/agree "ELT are accessible and approachable". Participation for the 2025 staff survey should be >80% participation in survey. By the end of 2024/25 over 75% of departments would be represented through the Staff voice group.</p> <p>In terms of the action plan, it was noted that most actions are completed and ongoing. There are some actions that remain Amber due to not being fully completed.</p> <p>A Wellbeing Survey was undertaken in February 2025, 425 staff completed the survey and the response rate was 75% (80% in summer 2024). The Committee had requested an update to be included for this meeting. The Committee noted the positive results for many of the questions, with several seeing an increase compared to the 2024 survey.</p>	VPCFO

	<p><i>A Governor asked how many questions the full staff survey includes. They were advised that it is around fifty questions. The Chair reiterated that it is important for Governors to understand how staff are feeling.</i></p> <p><i>A Governor welcomed the results stating that they were a credit to all involved, and that they demonstrated staff engagement and positivity. This provides them with assurance as a Governor.</i></p> <p><i>The Staff Governor acknowledged that the Cascade process is good and is being well received by staff.</i></p>	
6.18 Policies	<p>Both policies were presented for recommendation to Corporation for approval. The revisions made to each were minor.</p> <p>Fees Policy Updated to reflect DfE rules for 25/26. Removal of ESFA throughout the policy and replacement with DfE Additional paragraph for approach on Tailored Learning provision</p> <p><i>A Governor requested that the reference to the DfE be presented consistently throughout the document.</i></p> <p>The Committee agreed to recommend the Fees Policy for Corporation approval (subject to the revisions being made).</p> <p>Subcontracting and Partnership Policy Removal of ESFA throughout the policy and replacement with DfE Additional detail on "Quality assurance and performance..." and the measures in place to monitor Subcontractors.</p> <p><i>A Governor requested that the reference to the Governing Body be changed to the Corporation throughout the document.</i></p> <p>The Committee agreed to recommend the Subcontracting and Partnership Policy for Corporation approval (subject to the revisions being made).</p>	<p>Clerk</p> <p>VPCFO</p> <p>Clerk</p>
6.19 Committee Membership	<p>The Clerk advised that the item had been provided for information. It summarised the membership of the Committee and noted the revisions made in year. Of note was the addition of new members with expertise in sustainability, estates, and accountancy.</p>	
6.20 Committee Terms of Reference for 2025 / 2026	<p>The Clerk confirmed that minor revisions had been made and the Terms of Reference require approval at the July Corporation meeting.</p> <p>The Clerk advised the Committee that several guidance documents had been updated and reissued by the DfE/AoC. These were being reviewed and mapped to see which Committees there may be any impact upon. Any changes would come to the first meetings in the new academic year.</p> <p>The Committee agreed to recommend the Terms of Reference for Corporation approval.</p>	<p>Clerk</p>
6.21 Committee Cycle of Business 2025/26	<p>The Clerk presented the proposed cycle of business for 2025/2026. The document had been reviewed with members of ELT to ensure that items were placed at the appropriate points in the year for effective reporting.</p>	

	<p>The Clerk advised that the agendas for 25/26 would appear lighter in terms of policies as many had been covered during the current academic year and would not be due for review. Sustainability had been added as a regular item, this would support the process of raising the profile of sustainability within the College Governance Framework. Funding and grants had been added to provide the Committee with an oversight of what is received, and what they can be used for.</p> <p>The Clerk advised that they would add the project reporting as discussed earlier in the meeting and the HR comparison for 23/24 & 24/25 to the term 1 agenda.</p> <p>The Committee agreed to recommend the Cycle of Business for Corporation approval.</p>	<p>Clerk</p> <p>Clerk</p>
6.22	<p>Summary of Committee activity for 24/25</p> <p>The Clerk reported that this had been added to show the activity undertaken during the year and was intended to be a summary of the Committees work, noting that this is the second year of the committee structure and the sixth meeting of the Committee.</p> <p>Governors stated that the summary was a useful reflection and showed the many other areas of the College that are scrutinised across the meetings that are not related to finance.</p> <p>The Committee agreed that the committee structure was supporting the Corporation and freed up time for the full Board to deal with other matters and business.</p> <p>Meeting Effectiveness & Reflections</p> <ul style="list-style-type: none"> • The meeting had provided a through oversight for newer Governors as to the role of the Committee and how the College operates. • Historically, there had been no specific meetings for Governors to focus on finances, everything was covered at Corporation meetings, any concerns about introducing the committee structure had been dispelled. • The meeting was constructive. • The summary of activity demonstrated how much business is dealt with (that would have gone to Corporation) • The papers pack was focused. • The level of details provides Governors with the assurances they need. • There was good support and challenge. • The questions asked were good. • It was good to see members of SLT having experience at the meeting and that supports their personal development. • It is evident that the Board adheres to the College values HoWCares. • The quality of the papers stood out. • Papers provided explanation and justification, and sometimes pre-empted questions that Governors may have been going to ask. • The Chair was inclusive, and everyone was given the opportunity to speak. • The organisation for the meeting was thorough. <p>The Chair thanked David Wright (DW) for his attendance at the meeting and invited any feedback that could be provided at that time. DW advised the Committee that:</p> <ul style="list-style-type: none"> • Feedback would be provided to the Triumvirate at a later date. • This was the second meeting to be observed. • It was clear that some distance has been travelled to get to the current position. • The meeting was useful, it was well chaired and well presented with the right level of challenge. • Successes were celebrated. • The level of detail provided in the financial papers was exemplar, and a credit to the 	

	<p>College and should be continued.</p> <ul style="list-style-type: none"> • Oversight and accountability were clear. <p>David Wright confirmed that he would remain for the confidential part of the meeting, as discussed with the Clerk.</p> <p>The Staff Governor left the meeting at this point.</p>	
6.23	<p>Any Other Business</p> <p>There were no items of business to be discussed.</p>	
	Date and Time of Next Meeting: Tuesday 10 November 2025 @ 5.30pm via Teams	