

St Helens College

FINANCE, RESOURCES AND COMMERCIAL COMMITTEE

Minutes of the meeting held at the Town Centre Campus, St Helens

Wednesday 26 January 2022 at 10.00am

Present:	Mr P Han (Chair)	External Governor
	Mr S Pierce	Chief Executive/Principal
	Mr J Pinsent	External Governor
	Mr A. Owen	External Governor
	Mr N Shore	External Governor
In attendance:	Mr. R Garcha	Chief Financial Officer
	Mr I Johnson	Head of Finance
	Mr J Hays	Director of HR and Safeguarding
	Mrs G Hayhurst	Governance Director (minutes)

1 Apologies for absence

Apologies were received from Mr D Balsamo.

2 Declarations of interest

There were no declarations of interest to note.

3 Minutes of the previous meeting held on 24 November 2021

The minutes of the previous meeting were approved as an accurate record.

Rav Garcha left the meeting.

4 Matters arising and action tracker

The action tracker and updates were presented for comment.

The revised action tracker template, including due dates for completion, was discussed.

RESOLVED: The committee noted the action tracker update.

5 Management accounts for the five months ended 31 December 2021

The committee was presented with the consolidated management accounts for the five months ending 31 December 2021 for the College Group, incorporating Waterside Training Limited.

The committee noted that, following a successful business case submission by the College, the Education and Skills Funding Agency (ESFA) confirmed the non-devolved adult education budget (AEB) income of £200,000 would not be subject to clawback.

Rav Garcha re-joined the meeting.

In response to a query on the improved performance for apprenticeships, the committee was advised that the year-end position should be £150,000-£200,000. There is a lag in cash receipts showing in the accounts compared to enrolled students.

'Other income' is showing an adverse position as rental income for The Academy Building had been included within the budget for the full year. Works are underway and rent collection should begin in April/May 2022. Additional rental income is being negotiated on offices at Stockbridge Lane, which should reduce the financial impact of the delays.

The reasons for the improved position against budget for staffing were discussed. If all current vacancies are recruited by the end of March 2022, then staffing costs will be over-budget. The committee commented that the number of vacancies indicates an inflated positive financial position, which will need to be monitored. It was noted that recruitment is a sector-wide challenge.

Regarding overheads, examination costs are not expected to be over-budget at year-end. The current position is due to how the costs are profiled over the financial year.

The committee acknowledged the positive financial position and the work required to maintain this position as the Governing Board considers strategic investment.

Nick Shore joined the meeting.

RESOLVED: The committee noted the management accounts for the five months ended 31 December 2021.

6 2022/23 financial modelling

The committee was presented with indicative financial modelling for the year 2022/23. There was one correction to paragraph 2.1 of the report, [REDACTED]

The ESFA will confirm the College's funding allocation in February/March 2022. The Government has made several announcements that will support a positive

financial position for the College, despite a downturn in 16–18-year-old recruitment. The committee noted that this improved position was due to external changes outside of the College’s control. It was noted that had recruitment targets been reached, and with the increased funding, [REDACTED]

[REDACTED] The committee queried the reasons for the reduction in recruitment and was advised that there may be some external and familial pressures to enter the job market given an increase in the cost of living and levels of deprivation in the area. There has been an increase in apprenticeships and historically a proportion of these would likely have enrolled on a study programme. The College is not an outlier when compared to the sector and other Colleges in the north-west of England. The Governing Board will consider the Group’s draft Strategic Plan at its meeting on 27 January 2022, which will look to address the current reduction in recruitment in this cohort.

One of the items that formed part of the increased funding referred to above is the Government has allocated funding for an additional 40 hours teaching. The conditions associated with delivery are yet to be confirmed. The College has included part of the cost but not all for the provision of this within the high-level financial model.

[REDACTED]

The College has agreed with the ESFA that discussions relating to the financial notice to improve will take place at the end of February 2022. At that stage, the College should have clarity over the 40 hours additional teaching funding requirements and the AEB funding for 2022/23. The mid-year accounts will also be available for review and the Governing Board will have considered the draft Strategic Plan 2022-25.

RESOLVED: The committee noted the financial modelling for the year 2022/23.

7 Financial Recovery Plan update

The committee was presented with an update against targets within the Financial Recovery Plan (FRP).

The committee acknowledged that the actions within the plan had been completed ahead of schedule and thanked those involved with this achievement.

Subject to approval by the ESFA, the committee was asked to recommend to the Governing Board the completion of the FRP and seek agreement to return to

business-as-usual financial management and monitoring. The key performance indicators will be reviewed and presented for consideration.

RESOLVED: **The committee resolved to recommend to the Governing Board the completion of actions within the Financial Recovery Plan and seek approval to return to business-as-usual financial management and monitoring, subject to agreeing new key performance indicators.**

8 Subcontracting arrangements

The report provided an update on subcontracting arrangements and sought approval for two new contractors, [REDACTED]
[REDACTED]

The committee noted that adult enrolment had not increased in 2021/22 compared to the previous financial year, when national Covid-19 lockdowns were in place. It was suggested that confidence has not returned following the pandemic with individuals feeling additional pressures due to cost-of-living increases. The College is focusing on meeting funding allocation targets so future years are not impacted.

RESOLVED: **The committee noted the subcontracting arrangements update.**

[REDACTED]

[REDACTED]

9 Human Resources report – December 2021

The report provided an update on human resources (HR) within the College at December 2021.

The committee was provided with an update on changes to onboarding and induction to improve staff retention. Following national changes to agile working, due to the pandemic, applicants, particularly in the business services areas, are expecting a more flexible arrangements and hybrid working. This is impacting on the number and quality of applicants. The College is keen to develop its offer but note that this will require a cultural shift. The committee considered the opportunities that this would provide and highlighted the need to ensure that the offer is flexible enough to consider business need and the College's values, while balancing the preferences of the individual. It is not proposed to amend contractual

terms. Consideration will be given to how best the College should market its employee offer.

In response to a query on the increase in resignations in December 2021, the committee was advised that this is part of the natural cycle as teaching staff often leave at the end of term. There have been no trends or issues identified within particular schools that need to be addressed.

[REDACTED]

[REDACTED] here has been an increased workload within the HR Team and a service review will consider whether there is a need for additional permanent roles and specialists or to continue at the current staffing levels. In addition to Covid-related sickness, there is anecdotal evidence suggesting concerns amongst staff about attending College with minor illnesses due to potential increased vulnerability to coronavirus.

The current total sickness for teaching and teaching support staff is 14%, which is putting serious pressure on the College. Absence is also concentrated within certain schools. Due to the widespread impacts of Covid-19, the College is unable to rely on the availability of temporary staff through recruitment agencies.

The committee discussed the update on culture, values and staff engagement. The College will refresh the membership of the People, Process and Development Strategic Group to seek fresh views from other employees. All staff have had the opportunity to comment on the College's values, which will be considered by the Governing Board as part of the Strategic Plan. Consideration is being given to other ways to engage staff and ensure key messages are communicated effectively. A culture change newsletter has been proposed for distribution each half-term, to explain the reasons for the changes and market the College's employee offer internally.

RESOLVED: The committee noted the human resources update to December 2021.

10 Contracts above £100,000

The report sought approval for lease proposals [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The committee queried what safeguarding arrangements are in place to protect the students from risks associated with letting College premises. Third party employees using the campus must be DBS checked and follow the College's safeguarding practices. The College has experience of this with the current tenants at the Town Centre Campus. The committee commented that all individuals using the campus should wear lanyards, clearly identifying which company they are associated with.

[REDACTED]

RESOLVED:

11 **Matters arising under the Financial Regulations**

A private and confidential minute is available from the Governance Director on request.

12 **Any other business**

There were no items of any other business.

Date and time of the next meeting

The next meeting of the Finance, Resources and Commercial Committee will be held on Wednesday 9 March 2022 at 10.00am.