



The Henley College Corporation

MINUTES of the Meeting of the Finance & Resources Committee held on Tuesday 7 March 2023 at 09.00 via remote participation

<p>Members present: Charles Wiggin James Lingard Satwant Deol Vince Maltese (VM) Mike Ashton Chris Reeve</p> <p>In attendance: Mark Griggs Liz Guerin Jacky Gearey</p>	<p>Independent Member/Chair Independent Member Principal independent Member Board Chair and ex officio Co-opted</p> <p>Finance Resources & Control (FRC) Head of HR Clerk</p>	
Agenda Item	Minutes	Action by
	<p>Opening of meeting The meeting opened at 09.00 with the Chair welcoming everyone and thanking them for their attendance.</p> <p>Apologies for Absence There were no apologies for absence.</p> <p>Declaration of Interests There were no declarations of interests.</p>	
4.1	<p>Minutes of Meeting (i) Confidential Minutes of the meeting of 15 November 2022 The committee approved as an accurate record the minutes of the meeting held 15 November 2022. Resolved that the committee agreed that the confidential minutes were an accurate record of the meeting held 15 November 2022</p>	
4.2	<p>Matters Arising from the Minutes (including review of actions) The one action regarding communications and engagement had been put onto the Board agenda and this had been closed off. There were no further matters arising.</p>	
4.3	<p>Management Accounts for January 2023 The FRC advised that the College had set a budget to deliver an operating surplus for the year amounting to £44k, however the overall position at the mid-year point had changed in terms of receipt of an additional £200k income, a £580k reduction in pay costs and an increase in non-pay costs of £670k. These changes amounted to an increase in the operating surplus from a planned £44k to an expected outturn of £177k. Much of this was because of the reduction in pay costs due to the recruitment difficulties in filling vacancies. Discussion followed on this subject with the Chair asking about the risk of not employing more skilled staff and the impact this would have. Both the Head of HR and Principal said there was a general skills shortage in engineering and business with the Principal further explaining that this could affect both the quality and delivery experience to students as these inexperienced teachers would take time to become familiar with the curriculum. However for reassurance additional support had been put in place to help staff in these circumstances. There followed a general debate on pay scales and the viability and restrictions in trying to boost salaries above these set pay grades. The Head of HR advised that recruitment agencies were key in trying to fill vacancies, but the College was also</p>	

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	<p>advertising its brand, using social media and linking with the various teaching departments of local universities to encourage more applicants. As this was a major risk to the College, the committee asked to have an action list on the state of staff recruitment. Additionally the committee asked about the viability of 'bolt-ons' i.e. linking financial increments to career progression, although the Head of HR and Board Chair both advised caution if taking this approach as these increments were not guaranteed should the scope of work undertaken change. The Chair asked for a paper on addressing the skills shortage in teaching. Head of HR agreed to provide this.</p> <p>Finally the Board Chair asked for the criteria for a college to be accredited with outstanding financial health as it had been mentioned at previous meetings that the formula was changing, and this could affect the College. The FRC said that this change had not been progressed, but he would send out the information on the benchmarking used.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the Management Accounts for January 2023 were received and noted by the committee (ii) Head of HR to provide an action list on the recruitment of staff and a paper on addressing the skill shortage as discussed (iii) FRC to send out the benchmarks for outstanding financial health rating 	
4.4	<p>Estates and Infrastructure Strategy update</p> <p>The College has been working with a three-year Estates and Infrastructure Strategy (2021-24) to maintain flexibility of changing needs, but also to ensure development in line with potential capital grants. The FRC explained that the focus on T-Levels was a key government strategy and most of the capital grants available will be associated to this provision. The College has now secured 50% grant funding for the next project costing approximately £1.3 million to develop the next three facilities in D5; Business, Engineering and Digital. Planning is underway and construction will commence in May in order to be ready for the start of the 23/24 academic year. It was felt that the College must adapt its curriculum to this and provide the facilities necessary to be successful in attracting students and create the 'work/business' type environments that are essential to success and aligned with the needs of LSIPs and local employers. Other improvements in IT, MIS and cyber security spending were referred to as was the required maintenance work on heating/boiler replacements taking place to use the funding allocation of £77k before the end of March. Additionally the FRC advised of a speculative bid for an 85% 'Post 16 Capacity Funding grant' with matched funding of 15% from the College which has been submitted for zoning work (D1, D2 and D6) at a total cost of approx. £1.8m (inclusive of VAT). The outcome is expected shortly.</p> <p>Further to questions and comments raised at a students' meeting, the committee asked about gender neutral toilets. The FRC said there was an issue about the number of toilets available and this was being discussed with the students but that one would be designated for each campus with generic signage and that students were happy with this. For reassurance the committee were advised that if there are any estates issues, these are logged to show when they have been closed off and that all safety issues raised by the students have been addressed.</p> <p>The issue of the renewal of the cyber security contract was raised as the current agreement with Cyber Clan finishes in August 2023. It had been agreed that the College</p>	

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	<p>would renew the contract last year, but due to a significant price increase this contract will be going out to tender.</p> <p>The Board Chair commented that what was presented was a very good plan but not a strategy and that there needed to be a narrative to link where the plan was going. Principal and FRC agreed to provide an introduction to identify the end game, showing the priorities and how this will impact the KPIs to improve student experience at the College. Discussion then followed on the following: green agenda and what was being done about this, that this should be part of the strategy and the list of the employers and their needs regarding LSIPs. The Principal confirmed that the Vice Principal had done a lot of work on this and would provide information on the LSIPs work, the employers that the College is working with and how this links with the Skills and Estates strategy. The Board Chair said that LSIPs and skills development strategy were a priority and that a plan needed to be circulated to the Board detailing the approach in particular detailing what the College is doing and the KPIs by which these are measured. Principal agreed to provide this for the next board meeting. Additionally the exiting plan was asked to be circulated to the LSIPs link governor (VM) within the next week. There were no further comments or questions.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the Estates and Infrastructure Strategy update was received and noted by the committee (ii) Principal to provide information on the LSIPs work, the employers that the College is working with and how this links with the Skills and Estates strategy for the next Board meeting (iii) Principal to send existing plan to LSIPs link governor (VM) within the next week 	
4.5	<p>Staff Pay Award – review 2022-23</p> <p>The FRC provide a brief summary of the current financial situation albeit some of this had been covered under item 4.3. The vacancies at the start of the year and the 4% pay award amounted to an increase of £1.4 m in staff costs. Difficulty with recruitment had led to delays in filling vacant positions and the majority of candidates employed, were at the lower level of the pay range based on experience and qualifications. There had been a significant increase in the use of interim staff to cover some of the 22 unfilled vacancies. Staff were aware that the pay award made was an interim position and that a possible additional award could be made if there was a surplus at the end of the year. Although there was a revised increase in surplus for the year to £1 77k, it was felt that it was too earlier to consider any further pay award for 2022-23 and that a proposal would be prepared ahead of the June Finance and Resources committee meeting.</p> <p>Discussion then centred on the surplus and how this is to be returned to staff as this had been committed to staff and that moreover this would be in year. Whilst the committee wanted to agree something now cognisant that there was a risk of staff becoming demoralised and that they could potentially leave, they were aware of the current national industrial action making it is difficult to do this. Furthermore they felt that a narrative to this effect was imperative. Principal and Head of HR agreed to produce this and send this out to the committee next week.</p> <p>Resolved that:</p> <ul style="list-style-type: none"> (i) the report on Staff Pay Award – review 2022-23 was received and noted by the committee (ii) Principal and Head of HR to produce a communication regarding the staff pay award and for this to be sent to the committee next week. 	

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4.6	<p>HR and Employment Law Updates</p> <p>(i) Staff Survey</p> <p>Preparation for the next survey is underway broadly using the same questions with some needing further clarification, with the aim of getting an improved response rate and scores. It is intended that this be sent out at the beginning of the summer term. A comms plan is being worked on to remind colleagues what actions have been taken in response to the results of last year's survey, to explore the ambiguous questions/results and for this to feed into the launch of the new survey. The Board Chair asked if there was going to be any pre-communication on this and if so, for this to be shared with the committee before it was released. The Head of HR confirmed that this would be shared with the committee before release.</p> <p>Finally the issue of response anonymity was raised. Ideally the survey should be run by an external provider, but this was proving difficult to source because the College wanted to use its own survey. Some members of the committee said that they would provide details of organisations they had used for such work. The Chair and committee thanked HR for their work on this and the report provided.</p> <p>(ii) Employment Law</p> <p>Currently there was only one update concerning the minimum wage increase in April, but this would only affect 12 employees and will be addressed.</p> <p>(iii) Policies</p> <p>There were policies for approval but there will be several for the next meeting.</p> <p>Resolved that:</p> <p>(i) the HR and Employment Law Update Report was received and noted by the committee</p> <p>(ii) Head of HR to provide the pre-communication concerning the staff survey to the committee before releasing it to the staff</p> <p>(iii) Committee members to provide Head of HR with agencies who undertook survey work</p>	
4.7	<p>Any Other Business</p> <p>FRC said that the financial regulations revision that had been due, had been put on hold due to the recent ONS reclassification and that a new handbook was to be issued by DfE in the autumn.</p> <p>There was no other business</p>	
4.8	<p>Items to be taken forward to next Corporation Meeting:</p> <p>None</p>	
	<p>Date and Time of Next Meeting</p> <p>The next scheduled meeting is 13 June 2023 at 09.00</p>	
	<p>Meeting Closure</p> <p>The meeting closed 10.05</p>	