

MOULTON COLLEGE
FINANCE AND RESOURCES COMMITTEE

Meeting held on Monday, 11 December 2023 at 5.00pm in the IT Suite

Present:	Ashley Clarkson (Chair)	Independent Governor
	Charles Matts	Independent Governor
	Mark Wakeford	Independent Governor
	Mohamed Saeudy	Independent Governor
	Mustafa Regec-Noor	Co-opted
	Corrie Harris	Principal
	Karen Squires	Staff Governor
In attendance:	Roger Newman (Bond Bryan)	Consultant (<i>Items 90-92 only</i>)
	Neil Peacock	Consultant (<i>Item 93 only</i>)
	Alicia Bruce	Chief Operating Officer
	David Aldridge	Executive Director Human Resource
	Matt Smith	Executive Director of Skills and Business Development
	Andrew Bailey	Director of Student Services (<i>Items 90-98</i>)
	Sarah Bunney	Finance Director
	Catherine Duro	Head of Governance

SECTION A – ROUTINE ITEMS AND GOVERNANCE:

23/90 Apologies for absence (Agenda item 1)

There were no absences to record.

23/91 Declarations of interest (Agenda item 2)

There were no declarations of interest.

23/92 Architects Updates – Bond Bryan (Agenda Item 3)

The consultant Architect gave a high-level presentation on the estate's strategy, covering the broad principles, the key issues and five preliminary options that were being considered.

It was explained and understood that this plan was a long-term vision to aim towards and bring structure and connectivity to the smaller projects that were affordable, working towards a final goal, across a complex estate. It provided a master plan, ready to inform capital bids and projects.

Questions were invited.

It was asked what student numbers had been used to establish space utilisation. Governors were informed it allowed for a 15% growth on current numbers, which was realistic with population growth. Little change had been assumed in the teaching model due to the hands-on nature of many of the courses. It was challenged that this may need to be reviewed if the British Standard proposal went ahead, as this could double student contact hours.

The importance of the employer/community learning centre was recognised, although the detailed purpose remained to be decided, there was a commitment to bring benefit to the local community.

The presentation and fully detailed plan would be circulated for comment.

23/93 IT Update - Presentation – Neil Peacock (Agenda item 4, Paper A)

An update was provided, reassuring governors of progress.

The development plan was to be circulated by 31 January 2024

23/94 Minutes of last meeting (Agenda item 5, Paper B)

The minutes of the meeting held on 6 November 2023 were **approved** as an accurate record for publishing, subject to a confidential matter being extracted.

23/95 Matters Arising (Agenda item 5, Paper C)

College Climate Action Plan

The need for a college sustainability strategy was the key matter arising. The draft Climate Action Plan was shared for comment.

All recognised that the key objective for this year was to establish a baseline.

It was **asked** what the timeframe was for the baseline assessment to be completed. The Committee was informed the Estates Manager was working with a consultant currently, to complete the assessment by the end of March.

All **agreed** it was a very good start, and agreed the sustainability committee must feedback to governors and develop the plan further for the next academic year.

It was **discussed** that sustainability should also look at how we are sustaining our business, our curriculum and reinventing our courses, to future proof them, looking beyond the physical environmental factors.

Resolved: It was **agreed** this plan should be shared with the sustainability working party for further comment before being published on the college website.

23/96 Outstanding Actions (Agenda item 6, Paper D)

It was **confirmed** that the DFE meetings had taken place, and a recommendation made to treasury, but the outcome was not known to the college at the time of meeting.

All other actions were progressing or complete to governors' **satisfaction**.

23/97 Risk Management (Agenda item 7, Paper E)

The risk management paper was received, and mitigations expanded on.

Concern raised that more horizon gazing might be needed as external climate becomes more challenging with a potential change in government, though noted on the risk registers and our ability to respond to change was slightly in agile.

Resolved: To **accept** the Risk Management report.

SECTION B – Budgeting and Financial Performance:

23/98 FE and HE Recruitment (Agenda item 8, Paper F)

The paper provided was taken as read and questions were invited.

Feedback was provided on two recent successful open days. Updated figures were shared which showed good progress, up on the previous two years.

HE recruitment showed further work was needed, though the UCAS deadline was not until the end of January 2024, so it remained a changing picture. The emerging HE governance structure and consultant supported HE development activity was explained.

Governors were **reassured** that recruitment against the AEB funding stream was performing well, inside of tolerances, tracking at 109%.

Learner withdrawals were reported as complete. 130 additional learners had been recruited year on year, this wouldn't trigger in-year growth funding, but would be of financial benefit next year. Clear well understood withdrawals, with good reasons, so expecting see good achievement rates.

Resolved: To receive the FE and HE Recruitment report.

23/99 Management accounts and Cash flow (Agenda item 9, Paper G)

The management reports were **received**, and variations explained.

The 6.5% pay rise and affordability of it was explained. Governors were **reassured** that this was typical for the sector, in line with AoC guidance, and helped mitigate the risk of higher staff turnover. Staff costs as a percentage of turnover were also healthier, following this increase. The previous course allowance has been brought within the pay structure to bring certainty to the pay structure of all staff.

The split of the staff costs between college and commercial was **questioned** and explained to **assure** governors.

It was highlighted to governors that Clawback was accounted for in 2022/23 as it was a material change, impacting on EBITDA.

23/100 Commercial Report (Agenda item 10, Paper H)

No significant change since last meeting. There was a **debate** on the merits of phasing the targets through the year.

23/101 Business support and FRP KPIs (Agenda item 11, Paper I)

The paper was received and taken as read.

It was **highlighted** to the committee that staff turnover, even with moderated tracking, would be close to exceeding the benchmark, by year end. Still seeing a lot of movement out of the sector and an aging workforce exacerbates the position.

Governors were **informed** that all absences were being proactively managed but may be a little over target by year end. It was **questioned**, what the contingency was so as not to effect learning. Occupation health services were engaged earlier to ensure the impact on service is minimised, as far as possible.

SECTION C – POLICIES

23/102 Financial Regulations (Agenda item 12, Paper J)

The Financial Regulations had been circulated for review.

It was **reported** that there were no changes this year, as there had been significant changes last year. Treasury management approach was still compliant with the guidance.

It was **asked** if we take external advice on when it is best to market farm produce. Governors were **assured** that experts were consulted and that this process was documented in the procedures rather than the regulations.

Resolved: that the financial regulations be **recommended** to the Board for approval.

Section D – CLOSING ITEMS:

23/103 Any other business (Agenda item 13)

There was no other business.

23/104 Impact of Governance (Agenda item 14)

- A lighter meeting as the accounts would normally be considered, questioned if beneficial.
- Felt too heavily reliant on the specialists present – whilst reassuring important to see more detail.
- Reassuring that aspects are progressing whilst didn't feel able to add any value felt informed as knowing governors to make a difference in future meetings.
- Opportunity to review the early stage of the climate action plan helped.
- Assured no significant issues, no major issues, good trajectory.

23/105 Date of next meeting

TBC. Dependent on the availability of the final accounts.