

MOULTON COLLEGE

FINANCE AND RESOURCES COMMITTEE

Meeting held on Monday, 10 March 2025 at 5pm in M6

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|-----------------------|------------------|------------------------------------|
| Present: | Ashley Clarkson | Independent Governor |
| | Mohamed Saeudy | Independent Governor (Teams) |
| | Michelle Pledger | Independent Governor |
| | Mark Wakeford | Independent Governor |
| | Charles Matts | Independent Governor |
| | Oliver Symons | Principal |
| In attendance: | Alicia Bruce | Chief Operating Officer |
| | Faye Williams | Vice - Principal |
| | David Aldridge | Executive Director Human Resources |
| | Sarah Bunney | Finance Director |
| | Andrew Bailey | AP Student Services |
| | Jack Marlow | Farm Manager |
| | Catherine Duro | Head of Governance |

SECTION A – ROUTINE ITEMS AND GOVERNANCE:

Apologies for absence (Agenda item 1)

1. Apologies were accepted from Karen Squires and Stuart Baker.

Declarations of interest (Agenda item 2)

2. There were no declarations of interest.

Minutes of the meetings held on 21st December 2024 and 24 February 2025 (Agenda item 3, Papers A&B)

3. **Resolved** that the minutes of the meetings held on the 2 December 2024 and 24 February 2025 be **approved** as accurate records of the meetings.

Outstanding Actions (Agenda item 4)

4. Updates were offered on the open actions to the committee's satisfaction.

SECTION B – MANAGEMENT REPORTS

Student Recruitment (Agenda item 5, Paper C)

5. An **update was provided** on the curriculum planning underway. It was **explained** that the second phase of the process would likely reconcile down to a figure similar to this year. Governors were advised that whilst offers were not converting as strongly this year, there was evidence that recruitment was on track to achieve similar numbers to this year.
6. Governors were **informed** that the college was working to reduce reliance on its TSN distance learning provision, delivering more directly to adults, in the new year.
7. The HE recruitment figures were **discussed** and again showed a trend reflecting the current year. It was **asked** what the impact was of very small groups and how this was being addressed. This would be explored further at the HEBOS meetings and feedback provided to the Corporation,

8. The apprenticeships numbers were shared. It was **asked** why the target was so far out, as the optimistic target had impacted on achieving the forecasted finances. It was **discussed** that the pipeline hadn't been strong enough to deliver. Future figures would be prudent and based on employer commitments.
9. Residential applications were highlighted as an **area of concern** as they were down again for the next year. The reasons for this continuing decrease were discussed. It was asked if the geographical spread of students had changed. Governors were **advised** that it hadn't and assured work was being done to see if students with the longest travel times could be converted. Other uses of the accommodation were also being explored including bootcamps, block releases apprenticeships and short courses.
10. It was explained that a number of students had left accommodation due to mental health concerns. It was asked what the occupancy break even point was for accommodation. Governors asked that this be shared at the next meeting (**Action SB**) It was asked if there was a point where the college should repurpose the accommodation.

Estates mid-year report (Agenda item 6, Paper D)

11. The estates mid-year report was received, with **assurance offered** that there was strong regulatory compliance across the estate. The improvements to facilities delivered were recognised, though it was understood that an affordability review was needed, to challenge the ongoing activity, against the financial position.
12. A governor **highlighted** that the management accounts showed there had been more spent on repairs than forecast. It was confirmed this was due to the essential toilet facility repairs.
13. Governors **asked** that sustainability opportunities be optimised through all works as this remained an opportunity for the estate and the learners to use the estate as a resource.

Farm mid-year report (Agenda item 7, Paper E)

14. Governors received the midyear report. Governors were informed that lambing Sunday, open to staff and the public, had enjoyed very positive feedback and requests to repeat the event next year.
15. The key points from the report were brought to governors' attention.
16. A governor **asked** how confident they could be in the robustness of the carbon data. It was **confirmed** that the Ecometric report came with a high degree of certainty, all peer reviewed, validated and checked, and insured.
17. It was **asked** if any issues were foreseen in building up the sheep stock. The infrastructure is in place, the fixed costs and replacement costs were explained.

SECTION C – BUDGETING AND FINANCIAL PERFORMANCE

Quarterly Management Accounts and Cash Flow including reforecast (Agenda item 8, Paper F)

18. An update was provided on the forecast position at the end of Period 6. Governors were advised that the approach taken regarding the inclusion of DFE funding was consistent with the sector. It was understood therefore that a calculated value equal to two-thirds of the in-year growth funding value would be included in the forecast.

19. The college's share of the £50m promised to the sector will not be included until further confirmation is received.

Mohamed left the meeting.

20. The **assumptions** in the forecast were **understood**. Governors were **assured** managers were working to reduce the agency burden, it was understood this could impact on student experience which needed to be carefully balanced.
21. The **risks** were presented and understood.
22. The need for organisational design and the impact of redundancy costs was discussed, and would be revisited later in the meeting.
23. It was **asked** what level of cash days would be achieved and if there would be sufficient cash to meet the pay bill, it was **confirmed** that this would be achieved. The dip was forecast towards the year end, and it was known that we would receive a significant tranche of income in August and September which would recover the cash days quite quickly. It was agreed that hard work was needed to manage the position through the year.

Balanced Scorecard (Agenda item 9, Presentation)

24. The updated balance scorecard at the end of period 6 was presented. Governors were reassured that the trends shown reflected discussions that had taken place throughout the meeting.
25. The pressure on entry pay point, from the living wage increases and the need to promote pay and benefits were discussed. The risks of not giving a pay award were discussed.
26. The additional measures around the new digital improvement project were introduced.

SECTION D – RISKS AND OPPORTUNITY MANAGEMENT

Digital Excellence Project Update (Agenda item 10, Presentation)

27. KPIs were highlighted in the balanced scorecard presentation and the risks were captured within the risk management report as the project had become integral to the college performance.

Risk Management Report (Agenda item 11, Paper G)

28. Risk report was received. No change to the current scoring on risks was agreed.
29. Governors felt the risks were reflected accurately in the register

Opportunity Tracker (Agenda item 12, Presentation)

30. The template opportunity tracker as presented to highlight the focus on planning for opportunities alongside mitigating risks.

SECTION E – HUMAN RESOURCES

Quarterly HR Update (Agenda item 13, Paper H)

31. The quarterly report was received and the highlights discussed.

32. The impact of the national living wage on the pay scale, and the increasing need for a pay and benefits review was recognised.
33. The pension provision was **debated**. The high employer contributions were understood, but the impact of a two-tier workforce was recognised if changes were to be made. It was explained that the actuaries had been asked to consider the security offered to colleges from being back in the public sector.

HR Strategy Implementation Plan (Agenda item 14, Paper I)

34. Members were reminded that the people strategy had been approved in principle. This action plan presented how this would be delivered over the next 18 months.
35. It was **confirmed** that the Pay and Benefits review would be tendered for over the summer. All agreed it was ultimately about recruiting a core team of expert staff, offering the college as a career destination, with development and progression, to achieve excellence.
36. Questions were invited.
37. Securing a balance in teaching and industry experience was discussed.

Audit - Recruitment and Retention Report (Agenda item 15, Paper J)

38. This report was presented for the Committee's information. Members were reassured by the positive report. It was confirmed that the report would also be reviewed by the Audit Committee.

Organisational Development (Agenda item 16, Presentation)

39. The current organisation chart and proposed organisation chart were shared for reference.
40. Governors were reminded that it wasn't their role to approve the staffing structure, but to take this opportunity to review and scrutinise the proposed structure, ensuring prudent use of finances and resources by the Principal, within the approved budget
41. There was a **robust debate** around the reasons for the change, the proposed changes and the potential short- and medium-term impact on finances, team moral and quality.
42. Members **agreed** that the current structure had delivered and maintained a good Ofsted. The organisation's focus needed to change, from survival to growth and the structure needed to change to enable this, whilst mitigating the financial pressures.
43. The proposal brought consistency to roles across every school, with clear accountabilities. Each head of faculty will be entirely accountable for delivery, including apprenticeships, HE, commercial and the associated finance income and expenses, this clarity will remove duplication and conflict in budgets and priorities.
44. The **impact** of this period of change on people was discussed. It was **recognised** this would be a challenging time but was right for the organisation. A transparent approach, with frequent communication was recognised to be essential.
45. PDRs demonstrated that poor performance had been managed, now we need to advance the organisation.

46. Leaders were accountable for quality at a micro level, now need to embrace financial accountability, which needed this clean and clear structure.
47. The timeline and the reasons for it were summarised and understood.
48. The potential savings and the redundancy costs were explained.
49. The desire and need to target staffing costs to be 55% of income, whilst reducing the necessity for agency staff was supported.
50. It was confirmed it will be a genuine consultation process. A significant change, but will only be done once, will bring stability to those moving into the new year.
51. A governor expressed nervousness about giving educationalists greater commercial responsibility. It was discussed that one reason we have inadequate finances is because managers don't have a strong enough understanding. A deep training need was recognised and would be delivered, then development and performance supported.

SECTION F – POLICIES

Intellectual Property Policy (**Agenda item 17, Paper K**)

Staff Wellbeing Policy (**Agenda item 18, Paper L**)

Workforce Development Policy (**Agenda item 19, Paper M**)

52. Policies were taken as read and questions were invited.

53. **Resolved** that the following policies be approved:

- Intellectual Property Policy
- Staff Wellbeing Policy
- Workforce Development Policy.

SECTION G - CLOSING ITEMS:

Any other business (Agenda item 20)

54. No other business was raised.

Impact of Governance (Agenda item 21)

55. Governors reflected that they were aware of problems and importance but asked what contribution had been made – this was debated.

56. Governors' impact on maintaining the metronome of accountability was important.

Date of next meeting (Agenda item 22)

The next scheduled meeting was 19 May 2025.