

SANDWELL COLLEGE

**Minutes of the Finance & Strategy Committee meeting held on
Thursday 8 February 2024, 4.00pm**

Present: R Bearman Independent Governor
G Pennington Principal
A Taylor Independent Governor (Chair)

In attendance: R Pickup Exec Director, Finance and Corporate Resources
B Beaty Exec Director, HR and OD
S Griffiths Exec Director, Strategy and Projects
D Holden Vice Principal, Curriculum
E Scotford Clerk to the Corporation
J Stevens Vice Principal, Quality

Apologies: None

		Action
F24.1	Welcome and Apologies	
	All present were welcomed to the Committee. There were no apologies.	
F24.2	Declarations of Interest	
	There were no new declarations of interest.	
F24.3	<u>Minutes of the Finance & Strategy Committee meeting held on 9 November 2023</u>	
	RESOLVED THAT: The minutes were approved as a true and accurate record and were signed by the Chair.	
F24.4	<u>Matters Arising</u>	
	There were no matters arising.	
F24.5	<u>Capital Projects update</u> Presented by Rob Pickup, Exec Director, Finance & Resources and Simon Griffiths, Exec Director, Strategy and Projects	
5.1	Cadbury STEM (Phase 2 & 3) – new build – Governors noted the project was now complete.	
5.2	Cadbury College (Phase 4) – update on progress given, contract sign-off in April to start works in May 2024.	
5.3	Sandwell College Skills Centre Cradley Heath – Governors queried the Amber rating for funding. The College explained this was because it is not our project so is Amber from the College’s perspective because of the sign-off needed for the WMCA contribution. Governors commented that the bullet points looked Green other than the work had not started yet. The College explained that funding had been received but the money would not start to be spent until the procurement and build phases commenced.	

	Progress had been made against the College's internal milestones. This would be addressed by the move to a new format risk ratings.	
5.4	<p>Governors asked if the Super Project Board was being set up because this stage had been reached.</p> <p>The College explained this was a new structure introduced to increase oversight. Each Project Board would report into the Super Project Board. The Super Project Board would meet at least monthly but more frequently when needed.</p>	
5.5	Governors welcomed this feedback mechanism which would assist in providing a strong risk and control framework. Governors could use it as a tool to continually monitor progress and raise questions where necessary.	
5.6	<p>Governors asked if it was confusing to use colours usually associated with risk RAG rated progress.</p> <p>The College explained it used Amber as a risk but also to indicate the project was underway but not complete.</p>	
5.7	Governors noted the requirements for the Board to pass resolutions to progress these projects in the form of Services or Build Contracts, with the latest available details presented to Board for this purpose.	
5.8	<p>The College shared a project tracker that included approvals to help keep people sighted on projects.</p> <p>Governors welcomed the tracker and agreed the College management team should be empowered and remind Governors where necessary when a decision had already been made to avoid reopening previous debates. The Board should only challenge previous decisions in extraordinary circumstances. Delegated authority could then be given to the Principal as long as it was within the scope of and aligned to previous approvals.</p>	
5.9	<p>RESOLVED THAT:</p> <ul style="list-style-type: none"> • Governors monitored the capital projects update • The Committee resolved, based upon prior approvals made by the Board on these projects, to recommend the Board give a further approval to now proceed to signing Services Contracts and/or final Build Contracts with chosen suppliers resulting from the tendering exercises. • The Committee resolved to propose the Board give delegated responsibility for the signing of agreements to the Principal. 	
F24.6	<u>Finance Report</u>	
6.1	The financial position was strong, ahead of plan and there was a good surplus and good cash position. The increased income for the additional students had been incorporated into the forecast. Related non-pay costs had been increased including an inflationary increase for some consumables.	
6.2	<p>The cash positioned remained good relating to the improved income position.</p> <p>The College financial rating score was 280 on the 300 point scale. With having loans, the maximum value that could be achieved was 290 points.</p>	
6.4	Governors were reminded that the ESFA health check was based on the College budget and financial forecasting. College interventions took place if a rating was not at least Good. This was the only college in the Midlands that made a profit.	

6.5	<p>Governors asked for an update on the revised plan.</p> <p>The College explained it included a couple of items notified after the budget had been approved, e.g. the extra £2.2 million received in the summer for tariff uplifts, as well as the £1.2 million expected for additional students.</p>	
6.6	<p>Governors asked for an update on the size of the Finance team.</p> <p>The College advised it currently stood at 7.8 FTEs, following some recruitment in the summer when an extra 1.5 staff were brought in. It was still a relatively small team and the Exec Director, Finance & Resources, was monitoring the size and skill set of the team with a review in summer 2024 to ensure it was fit for purpose whilst avoiding over-recruitment.</p>	
6.7	<p>Governors asked how extra projects were handled and were they managed in-house.</p> <p>The College explained that depended on the project. The Director of Estates Development and Capital Projects role had been picked up and the Exec Director, Finance & Resources, supported on some elements.</p> <p>External advisers were used on other non-capital projects to bring in more specialist advice and skills when necessary.</p>	
6.8	<p>RESOLVED THAT: Governors received and monitored the Finance Report and Management Accounts.</p>	
F24.7	<p><u>Strategic Plan and Future Risks</u></p>	
7.1	<p>The paper positioned the College for the year ahead. Distilling the current position regarding apprenticeships, etc and where changes might affect future strategy.</p>	
7.2	<p>Governors noted apprenticeship numbers remained challenging and asked whether the College believed it was paying enough attention to the apprenticeship situation and impact of funding policy changes.</p> <p>The College explained that Ofsted had queried the quality of apprenticeships it was delivering to ensure curriculum intent and quality was right – the College had strong routes in some areas and was defining others and was improving quality. The College would ensure its curriculum and intent and expertise delivered the benefits of apprenticeships.</p>	
7.3	<p>Governors asked if the emerging issues were produced for the Board or did they inform the College's thinking.</p> <p>The College advised that curriculum reforms were underway so understanding of government policy and impact was key. The latest Strategic Plan produced a couple of years was updated regularly and the Annual Governors Strategy Day was used as a stocktake of the plan and provided an insight for the Board on the leadership's future vision and direction.</p>	
7.4	<p>RESOLVED THAT: Governors received and reviewed the Strategic Plan and future risks.</p>	
F24.8	<p><u>Curriculum Reform</u></p>	
8.1	<p>The background to the latest curriculum reforms was outlined. As part of this work, the College was identifying what success would look like in the new landscape.</p>	

8.2	<p>This included analysing the impact of T levels on students including a potential increase in NEET rates. A number of students would not have a pathway under T levels, e.g. 168 students on Public Services and Travel whose courses were being removed. The College had taken action already and had analysed current students to reduce the number who might be affected.</p> <p>The Advanced British Standard was 10 years down the line from introduction.</p>	
8.3	<p>Governors asked for an update on businesses engagement with T levels.</p> <p>The College advised that work placements were doing well but there was a difference in quality between what students were learning academically and in the workplace. Work placements worked well in areas where they had traditionally in place but, for example, construction and digital firms were more challenging.</p>	
8.4	<p>Governors asked what was the cost to businesses to have T level students.</p> <p>The College advised that most absorbed the costs e.g. early years and primary schools and the main cost was time. There was money attached to the placements and a range of packages available from the Government but they were changing.</p>	
8.5	<p>Governors asked if a change in government would lead to a rethink of T levels and would the infrastructure being put in place now be wasted.</p> <p>The College reassured that it would not as some things would be deemed a success and would continue and would provide more options for students.</p>	
8.6	RESOLVED THAT: Governors noted the update on curriculum reform.	
F24.9	<u>Risk Register</u>	
9.1	The new format Risk Register had been well received by Governors. The College would feedback to Audit Committee that the process was working well.	
9.2	Changes to the previous version were highlighted.	
9.3	Risk – financial performance – current score reduced from 6 to 3, likelihood to 1, due to increased income.	
9.4	Risk ONS review – risk to potentially be reduced following the publication of the College Financial Handbook, currently expected in Spring 2024.	
9.5	<p>Governors were keen to understand what the consequences were of not being on target and did that mean risk acceptance by the Board needed to be formalised.</p> <p>The College explained that next steps would be important to explain the move towards the target score before considering options, i.e: reassess the target risk or determine the Board's appetite for a higher risk tolerance, accepting that the target was not achievable for whatever reason. This could include a target date by when the College would expect to be back within target based on management knowledge.</p>	
9.6	<p>RESOLVED THAT:</p> <ul style="list-style-type: none"> Governors monitored the committee's areas of responsibility in the Risk Register. 	

	<ul style="list-style-type: none"> The College would feed the suggestion to include a target date back to the Audit Committee. 	RP
F24.10	<u>HR Report</u>	
10.1	Governors monitored the key points in the HR Report.	
10.2	Recruitment remained challenging, but the College continued to attract good quality candidates and did not report the same level of challenges faced in other providers. Its work on candidate attraction was supported by wider national work including campaigns by DfE and the newly launched SFCA manifesto. It was recognised that recruitment was a national challenge.	
10.3	Subject specific spotlight evenings had been developed around health and social care and were successful and had secured number of high quality candidates including those from industry for interview. Another event focused on Engineering and Automotive specialisms was planned. In addition to enhancing ways to attract staff, other initiatives were running in parallel to build into the College's employer brand, e.g. the Let's Check initiative.	
10.4	Employee relations were reasonable but pay negotiations would open in April which could test this. A published calendar of regular interaction was in place e.g. Joint Consultation Committee meetings.	
10.5	Wellness work was ongoing. Reference was made to particularly successful events, e.g. the December celebration for staff and January professional development day focused on wellness and delivered in partnership with the Sandwell Aquatics Centre.	
10.6	Development and recognition updates were given. The Lead programmes had seen 2 senior appointments made from its first cohort and the STEP programme had welcomed its third cohort of 16 new participants.	
10.7	The launch of the new recognition schemes had been successful. Annually a detailed workforce composition report was compiled and the report included a new supplementary section describing work and achievements in this area.	
10.8	<p>The richness of the College's diversity was celebrated. The College was ahead of comparable institutions and had the greatest mix in its workforce, particularly in its management teams. This had been supported by CPD routes and interventions available to staff.</p> <p>Governors noted that recruitment was challenging and asked if EDI aspirations made the situation more so.</p> <p>The College acknowledged it was a challenge but it would continue to actively pursuing its EDI commitments.</p> <p>Governors were mindful of its commitment to equalities, diversity and inclusion in new Governor appointments.</p>	
10.9	RESOLVED THAT: Governors received the HR report.	
F24.11	<u>Policies</u>	
	There were no policies to review/approve.	
F24.12	<u>Any Other Business</u>	
	There was no other business.	

F24.13	Confidential items	
	There were no confidential items.	
F24.14	Date and Time of Next Meeting Thursday 6 June 2024, 4.00pm	

The meeting ended at 5.25pm