

**SUMMER TERM MEETING OF THE RESOURCES COMMITTEE
OF THE SOUTH HAMPSHIRE COLLEGE GROUP**
Online Via Teams
Wednesday 11 June 2025 at 17:00

M I N U T E S

Present:	Fran Butler Colin O'Donoghue Sandra Prail	Andrew Kaye (CEO) Caroline Perrett (Staff Gov) Andy Wannell (Chair)
In attendance:	Georgina Flood Danielle Jiranek Michael Johnson Anoushka Ottley	Director of Governance Deputy CEO – People & Facilities Chief Financial Officer Exec Director of Business & Civic Partnership

41/24 Item 1: Deep Dive – Estates Strategy

The Committee received a 'deep dive' session on the Estates Strategy by the CFO. A copy of the presentation will be circulated after the meeting and made available on the Governor's portal.

A member queried if the original strategy to reduce space is still valid taking into consideration increasing enrolment numbers? CFO confirmed we are not expecting to reduce the estate by the full planned 15% planned under merger e.g. retaining St Mary's B and the use of Palmerston buildings at Southampton Campus is still under review.

The CEO noted that at point of merger, we tendered and secured the services of PMC for 2 years, what next steps have been agreed with them in respect of tendering another specific package of work or considering an ongoing monthly retainer in line with internal procurement processes. CFO confirmed this has not yet been agreed, noting the potential technical excellence college project may have an impact. The CEO counseled the Cttee to keep this under review in respect of either testing the market or maintaining an ongoing interest.

ACTION: Retention of PMC in line with current procurement practices to be added to the next Resources Cttee agenda.

The CEO asked the CFO to confirm when a longer-term capital strategy will be brought into the Governance Cycle. The CFO confirmed this would be provided to the Resources Committee and then Corporation in the Autumn Term. **ACTION: Capital Strategy to be added to the Autumn Resources and Corporation agenda's**

42/24 Item 2: Welcome and Apologies for absence

No apologies for absence were noted. As agreed via email consent on 29 April 2025, all Summer 2025 Committee's will be recorded for use by our External Board reviewers NCVO. These recordings will be deleted after use.

43/24 Item 3: Declarations of Interest

Members were asked to declare any interests relevant to the agenda. No declarations were raised.

44/24 Item 4: Minutes of previous meeting

Minutes from the previous meeting held on 12 March 2025 were reviewed for accuracy. Members agreed the minutes were an accurate reflection of the meetings held.

DECISION: Minutes for the meeting held on the 12 March 2025 were approved as an accurate record.

45/24 Item 5: Actions & Matters Arising

Members reviewed an outcome report from the previous meeting, noting that all actions were complete.
The Corporation received this report and noted the assurance provided.

46/24 Item 6: Strategic Risk Register – Cttee review

The Cttee reviewed this report (circulated in advance) the CFO noted there will be a risk workshop over the summer using a 'blank sheet' approach. The result is hoped to be a revised risk register that is more 'live' and dynamic with reference to a target score and related actions to attain this.

A member queried the assurance level in respect of the pay award as 'strong' asking if it should be reduced? CEO confirmed a further update will be made at Item 10 of this agenda, but in comparison to peers that we are consistent and deliver well. CFO agreed with this position noting that in reviewing the recently published detailed DFE benchmark work the rhetoric that we are a 'low payer' in the region doesn't really bear out in the evidence. In response to ELT challenge, the Cttee were assured to retain the control score as 'strong'.

The Corporation received this report and noted the assurance provided.

47/24 Item 7: Key Performance Indicators – Cttee review

The CEO introduced this item reviewing KPI's for the Resources Committee noting staff utilisation as potentially the only item to flag reminding members that fortnightly cost containment exercises continue to take place. Staff utilisation remains a key feature within curriculum planning acknowledging the importance of keeping this under check if we intend to remain running at a deficit.

A member queried how representative the staff survey results were? The Deputy CEO People & Resources confirmed that results collate with a single question, but that figures had come from the most recent questionnaire which had a high response rate.

The Corporation received this report and noted the assurance provided.

48/24 Item 8: Management Accounts for the period ending 30 April 2025

The CFO introduced this item and noted members are supplied with the April 2025 management accounts for review. Members were informed that there was an error in the report on page 5 at Item 4 Cashflow - Cashflow Forecast to March 26 - The heading for the graph should be April, rather than March. And the text should say 'Our cash position at the end of April was £1.1m worse than budget (£4.6m rather than £5.7m) because our March merger grant claim (C.£3m) will be paid in May rather than April.

A member queried why spend from April to end of this financial year (in respect of staff costs) is noticeably higher? CFO confirmed that much of this can be attributed to 'exam' season and the additional cost of invigilators and associated staff claiming overtime. It was noted this may have been overly cautious and as such this may come back down by May management accounts.

The Cttee received this report and noted the assurance provided.

49/24 Item 9: Proposed Financial Plan & Strategy

The CFO introduced this item noting that he would like to seek approval from the Committee to recommend the Financial Plan and Strategy, including the revenue and capital budget for 2025/26 for approval by the Corporation at the meeting on 2 July 2025 and onwards submission to the Department for Education (DfE) as the CFFR (Colleges Financial Forecasting Return)

Members noted and discussed the potential extra grant (yet to be confirmed by gvt) noting sensitivity analysis provides options for some 'upside' opportunities, as well as some contingency. It was noted budgets for 25-26 and 26-27 bring us into 'good' financial health as required by merger agreement.

A member noted that restructure costs have moved to the balance sheet querying if merger costs have also been moved to ensure consistency. CFO confirmed that discussions have been had with RSM (and will be shared with Buzzacotts) about the technical treatment of the merger funding. It was agreed that CoD and CFO would have this discussion offline.

ACTION: CFO and CoD to discuss technical treatment of merger costs and income offline.

The Cttee sought assurance that the original financial health projection of 'good' in 25-26 was still tenable? The CFO confirmed this was the case.

50/24 Item 10: Pay Award

The Deputy CEO People & Resources introduced this item noting that she would like to ask the Committee to recommend the Corporation approve the suggested position in respect of the 2025-26 pay award.

The Chair asked for assurance that the suggested savings required is achievable. The CEO confirmed that savings were always embedded in achieving operational efficiency in the right areas, noting the sole affordability of the pay award was not a condition of these savings, but it's important to recognise that additional funding provides more surety that both is possible.

A member queried to what extent does the reduction in LGPS contribution contribute to the pay award affordability (noting caution in being overly confident in current pension valuations). The CFO confirmed the only savings attributed into this pay award model were savings made from the pension guarantee to safeguard any potential impact of a triennial review.

In discussion the Cttee agreed they felt sufficient assurance to endorse a 4% pay award subject to real attention and focus remaining on where these savings are made. A member noted the track record of strong organisational design focusing on efficiency was well as affordability. The CEO reminded the Cttee some budget figures are subject to final allocation info coming from the DfE (and this being the same or better than budgeted) as such a revised paper (based on these most up to date figures) will be provided to the Corporation at its meeting on 2 July 2025.

DECISION: The Cttee recommend the Corporation approve the suggested pay award for 2025-26 of 4% for all staff.

51/24 Item 11: Capital Projects Update

The Cttee noted this report (intended to provide assurance of effective use of capital funds and oversight of capital spend and projects). The CFO drew members attention to the disposal of College House as part of original merger agreement. Members agreed combined with the earlier deep dive, means no further assurance or questions were required.

The Cttee received this report and noted the assurance provided.

52/24 Item 12: Business Plus and Apprenticeships report

The EDBCP introduced this item noting that the report is to provide an overview of income for Apprenticeships, Adult Skills, Higher Education, Full-Cost, Subcontracting, Bids and Progress against our Accountability Agreement Targets and to also provide assurance that all meet regional skills priorities. Members were provided with assurance that the £6.2m target for apprenticeship income was inline and that there would be potential shortfall of c.£200k in both the Adult Learner Loan and HE budgets respectively. Repeat contracts with Southampton City Council, Solent Growth Partnership and Southampton University were noted. Members attention was drawn to the sign off of the Accountability Statement by the C&Q Committee at its meeting on 4 June ready for the filing deadline of 30 June.

Members commended the Accountability Statement as a strong piece of collaborative work noting the feedback at the Governor Strategy awayday combined with recent LSIP rounds means these specific skills related targets are SMARTER and more aligned.

The Corporation received this report and noted the assurance provided.

53/24 Item 13: Sub-Contracting Proposed Values for 2025-26

The EDBCP introduced this report to ask the Resources Committee to recommend that Corporation approve the suggested subcontracting values for 2025-26. The proposed subcontracting aligns with our established Subcontracting Policy and aims to support targeted, high-quality niche provision across Hampshire and its bordering regions, it also reflects a transitional approach as we prepare for a devolved funding landscape.

Members discussed the longer-term intentions for subcontracting noting the potential impact of devolution (and the desire to prove our current position in respect adult skills funding to lessen this impact). Members discussed and agreed that there is likely to always be feasibility/a desire to look at small sub-contracting works to deliver key provision that meets specific needs.

DECISION: The Committee recommend the Corporation approve the proposed subcontracting values for 2025-26

54/24 Item 14: Sustainability Spring Term Update and 'road-map' review

The EDBCP introduced this item noting that the report is to provide an overview of sustainability and green group objectives and our progress since the autumn term. It was noted feedback from the Cttee in the Spring term (asking green group to focus on prioritising the Group's efforts and attention on those aspects of the strategy that we feel will make the most difference) has been invaluable at identifying key areas and good headway if being made in some areas.

A member queried the level of student engagement in sustainability. EDB&CP confirmed this would benefit from some improvement next academic year and noted the intention to increase efforts to engage student views on a more consistent basis. Another member suggested that more could likely be made of the capital

investment and physical changes to campuses as arguably due to sheer scale, this will likely drive more significant changes than some of the more low-level projects. Members noted the first SECR report for the Group and welcomed the ability to start benchmarking (as a single entity) from this point forward.

The Corporation received this report and noted the assurance provided.

55/24 Item 15: People and Culture Termly Report

The Deputy CEO People & Resources provided the Resources Committee with an update of progress against all ten strategic elements of the 2023-2026 People and Culture Plan. This report also provides an update on initiatives aimed at improving EDI outcomes across the group including the first iteration of the EDI action plan for 2024-25. Members noted four key items with one to watch

- Wellbeing strategy being launched founded on solid research
- Leading better future programme continues – 100 people on these programmes, these now starting to work independently, along with mentoring and support for members of ELT.
- Confident in H&S approach – this is increasingly standardized, increased near miss reporting, addition of a number of mental health first aiders
- Staff awards – lots of suggestions and nominations which
- Complexity and volume of casework - consistent with wider sector but time consuming.

A member endorsed the report and notably the improved metrics - they went on to query what tools are in place to combat the engagement rate with performance conversations. Deputy CEO P&F confirmed there were a few factors at play, one being a 'clunky' online tool (a review is under way to change this) but mainly there just isn't the maturity and recognition of the value and necessity of these conversations across the group. In confirmation of the format, the Cttee noted this was essentially 5 questions 3 times a year. Members were informed we will continue to provide manager support and time to deliver these, but ultimately if these aren't being completed with P&C support we will need to be stricter. Members were assured by the pragmatic, but ultimately clear requirement.

The Corporation received this report and noted the assurance provided.

56/24 Item 16: IT/System Report

The Deputy CEO People & Resources noted that this report is to provide the Resources Committee with a termly update and overview of the progress, next steps and risks associated with SHCG's ongoing major IT and related capital projects.

A member queried if user feedback and criteria fed into the rag ratings of project? Deputy CEO People & Facilities confirmed we do we have a user group involved, currently projects are focused on raising awareness of projects, providing more updates via the intranet etc. A member went onto query the movement of a unification project back in house asking for assurance that sufficient resource is in house? Deputy CEO People & Facilities confirmed this was largely due to a disappointing experience with one of the contractors making insufficient progress and so this was returned to a specific team member in house. A Staff Governor was asked directly and provided feedback on their experience working with the consultant. They noted this was working well to date and that moving forward it will be a huge advantage to have all cross-campus resources in one place.

The Corporation received this report and noted the assurance provided.

57/24 Item 17: Governance ToR/ACB

DG noted that this report is to provide the Cttee with an opportunity to review their Terms of Reference (ToR) and Annual Cycle of Business (ACB) for 2024-25. Results from all Cttees will be collated and fed back to the Summer Term Corporation meeting to enable any suggested changes to be incorporated before the next academic year.

The Corporation received this report and requested no additional changes.

DECISION: The Cttee endorsed the current ToR and ACB for use in the academic year 2025-26

58/24 Item 18: Annual Election of Cttee Chair & Vice-Chair

The DG introduced this item and gave a verbal report reminding members that recommendations for the role of Chair and Vice Chair of the Cttee for the next academic year 2025-6 will be set for approval at the Summer Term Corporation on 2nd July – can the Cttee confirm we would like to retain the current position of Andy Wannell as Chair and Colin O'Donoghue as Vice Chair for the year ahead. All agreed.

DECISION: The Committee recommended that the Corporation approve Andy Wannell as Chair and Colin O'Donoghue as Vice Chair of the Resources Committee for the academic year 2025-26.

59/24 Item 19: Financial Regulations

The CFO introduced this item noting that the purpose of this report to consider the updates to the Financial Regulations for 2025-2027. DG noted that some additional updates had been provided to CFO since the papers were circulated, but that these would be incorporated before final review at Corporation on 2 July 2025.

DECISION: The Committee recommend the Corporation approve the Financial Regulations.

60/24 Item 20: Expenses Policy

The CFO introduced this item noting that the purpose of this report to consider the updates to the Expenses Policy for 2025-2027. A member noted the expense policy included a historical reference to the Inland Revenue and queried the low level for subsistence meals. DG confirmed these were based on most recently published HMRC recommended limits. The Cttee agreed to this rationale.

DECISION: The Committee (subject to the above typo) recommended the Corporation approve the Expenses Policy.

61/24 Item 21: Modern Slavery Report 2025-26

The CFO introduced this item noting that the purpose of this report to consider the revision of this report for 2026-2027. **DECISION: The Committee recommend the Corporation approve the Modern Slavery Report**

62/24 Item 22: Any Other Business

The Chair noted the next meeting was scheduled to take place on Tuesday 25 November 2025 from 5-7 pm at Fareham College. The Chair took the opportunity to thank Fran Butler for her invaluable support, expertise and knowledge during her time as a Cttee and Board member.

63/24 Item 23: Reflections on the meeting

Members were invited to participate in a short SLIDO poll to assess engagement and impact.
The meeting ended at 18.55.