

## SOUTH HAMPSHIRE COLLEGE GROUP RESOURCES COMMITTEE

6 March 2024

East Avenue Restaurant, Eastleigh College, Chestnut Avenue, Eastleigh

### MINUTES

Present:                    Andy Wannell (Chair)    Colin O'Donoghue  
                                 Sandra Prail                    Irene Tichy

In attendance:            Georgina Flood (Head of Governance)  
                                 Danielle Jiranek (Chief People Officer)  
                                 Michael Johnson (Chief Operating Officer)  
                                 Anoushka Ottley (Executive Director Business and Partnerships)

The meeting was preceded by a deep dive presentation on Sustainability & Green by AO.  
The slides will be made available for Governors via Decision Time.

A member queried the timescales on obtaining the information required for the SECR reports?  
The COO confirmed the publication deadline is 31 March each year, this will likely be met by Fareham Campus, but we will struggle to match the provision of data in other campuses.

A member queried if we have spent time agreeing what 'good' looks like, what is the aim?  
ED B&CP confirmed net zero net zero by 2030 is the roadmap aim, but there will be financial constraints to us deliver that. The membership of SHCG to the SCAG group (South Coast Affinity Group a collaboration of universities looking to save money through bulk purchase of waste/energy etc) is going to really help us form an idea of what this might/could look like. The Cttee discussed the fact that sustainability and net Zero are not the same e.g., sustainable food containers in canteen will not have an impact on carbon zero aim but that there was merit in both, and we need to set relevant/different targets.

A member suggested it was important to look at sustainability from a 'governance' perspective, how do we embed this into the fabric of what we do. Examples of quick wins include e.g., link gov reports that cover sustainability, SAR (Self-Assessment Review) validation that covers sustainability. The Committee endorsed the use of the framework and suggested a task and finish group, or sustainability governor involvement might help to drive some of this forward including set of actions and targets to move us from emerging to 'leading.'  
EDB&CP noted that historically a governor has been a member of the sustainability group. On discussion Co'D agreed to be involved in the sustainability group going forward. The Chair suggested we consider adding an element to the reporting that covers 'sustainability' in the same way we cover strategic aims and risk register etc.

**ACTION: Link Gov pro-forma to be amended to include sustainability considerations.**

**ACTION: Request that SAR and DSAR pro-formas include sustainability considerations**

**ACTION: Colin O'Donoghue to become a member of the sustainability group**

**ACTION: Consideration to add sustainability to standard reporting template**

#### **01/23 Item 2: Declarations of Interest**

Members of the Committee were reminded of the need to declare any personal or financial interest in any item of business to be considered during the meeting. There were no declarations of interest.

#### **02/23 Item 3: Welcome and Apologies for absence**

Apologies were given by Fran Butler and Karen Shreves. Andrew Kaye (not a member) also provided his apologies.

**03/23 Item 4: Minutes of previous meeting/matters arising**

Minutes from the previous meeting held on 22 November 2023 were reviewed for content and accuracy. Members agreed they were an accurate reflection of the meeting held.

**DECISION: Minutes of the meeting held on 22 November were agreed as a true and accurate record.**

**03/23 Item 5: Matters arising**

Members reviewed an ‘outcomes’ document which outlined the decisions made and actions agreed at the previous meeting. The Corporation Chair queried if recent 121’s had met the previous expectations in respect of mirroring staff appraisal values and behaviors. DG (Director of Governance) confirmed that this would be picked up in formal Summer 2024 appraisals where we would seek to align the principals of Governors appraisals to that of staff.

The Chair noted that as part of succession planning discussions held at January Governor 121’s, Resources members Fran Butler and Colin O’Donoghue have been offered and accepted the role of Co-Vice Chair with Fran focusing with her expertise in HR (Human Resources) and Colin Finance. The Cttee are asked to recommend this proposal to the Corporation. All agreed.

**DECISION: The Cttee recommend the Corporation approve the appointment of Fran Butler and Colin O’Donoghue as Co-Vice Chairs of the Resources Cttee.**

**03/23 Item 6: Items of focus**

The Chair took the opportunity to remind all in attendance that this was a full agenda, that all reports will be assumed as ‘read’ with only highlights or changes being delivered by report authors.

**04/23 Item 7: Strategic plan and merger KPI’s**

The COO provided a brief overview of this report circulated in advance noting the only ‘4’ or ‘red’ KPI which is showing little, or no movement is that referring to staff turnover. [REDACTED]

[REDACTED]

Members agreed it would be worthwhile to revisit the November deep dive of culture in c.6 months to assess and review the impact of the re-structuring and other key lines of work post-merger.

MJ noted that work continues on Wave 2 of the restructure with a focus on increasing expertise in procurement. A member queried if re-classification has much effect/impact on this aspect of finances? COO confirmed not especially, SHCG retains some expertise with in-house training on specific changes. It was noted Internal Auditors TIAA have been requested to note and identify specific MPM (Managing Public Money) and reclassification adjustments throughout the delivery of the audit plan. The Corporation Chair reminded the Cttee that publication of the MPM handbook is awaited.

The Chair commended the work completed to date noting that most of KPI's were green and have progressed well. It was noted there were still a few omitted or 'blank' benchmark or target data fields that it would be good to be completed before the Corporation meeting.

**ACTION: CEO to ensure remaining missing benchmark and target data fields within the KPI spreadsheet to be completed before the next Corporation meeting on 20 March.**

#### **04/23 Item 8: Strategic Risk**

Members were reminded this was their first review of the 'Resources' Committee specific risks, and that significant work had taken place since the last Audit & Risk Cttee meeting to develop more consistent scoring. Member's attention was drawn to 1 risk with a residual score of 'high'. Risk 3 *"Inability to attract, retain and develop our people impacts adversely on delivery, student outcomes and financial resilience"* noting now the CPO has a full P&C team in place more strategic work to deliver some of the strategies to resolve this will begin. A members suggested considering the conversation had under Item 7, that employee pulse survey results could be added as control. All agreed

**ACTION: CPO to add employee pulse survey data as a control to Risk 3**

**POST MEETING NOTE: Control added by DG 11 March 2024.**

Members discussed the structure of the Board Assurance Framework (BAF) noting that cause and effect are and can be hypothetical, with rest of controls in place to deliver mitigations. Members discussed that using hypothetical 'causes' could mean risks are overstated at the start and then the risk controls don't appear as comprehensive as they could be. Members acknowledged risks were very widely framed, noting scores would change if we broke this down into smaller contingent parts.

Hard to get 'data' sorted, mentioned more than once. How does this impact on day-to-day work? Risk and similar? The COO noted that this has also been raised via the Audit Cttee who have requested a deep dive session on key projects and data harmonisation. The COO confirmed that ELT doesn't have a direct line of sight on these projects previously managed by Rockborn, with much of this workload falling to 1 or 2 key members of staff. A member is keen we consider how this is fed back to other Committees and Corporation since data and systems will affect all Cttees in some way. It was noted that both AW and SP will be attending Audit Cttee on 13 March and can review and ensure any relevant actions are fed back. All members agreed it was important to keep systems timelines and progress under review.

**ACTION: DG to work with SP and AW to assess A&R deep dive on merger systems to assess if something similar should be shared with the entire Corporation.**

#### **05/23 Item 9: Management Accounts as of 31 January 2024**

The COO introduced this report noting the revised format and the inclusion of slides with KPI related information and worst case/best case scenarios

- Increased student numbers as a result these reports reflect. c.6 months additional in year funding
- staff/student ratio has been positively affected to 17%
- Cash still positive
- All income targets are as well or better than anticipated which is incredibly positive

A member commended the improved format noting the addition of risks and opportunities welcomed. Going forward, it would be useful to include some forecast information – especially cash. COO agreed.

**ACTION: COO to add cash forecast to Feb 2024 management accounts**

[REDACTED]

The Chair noted the positive position the Group presented themselves in, noting risks felt manageable and that to feel 'comfortable' with where we are six months post-merger is testament to the hard work of colleagues.

#### **04/23 Item 10: Capital Projects**

The COO introduced this report (circulated in advance) noting the following items of note;

- DfE (Department for Education) have confirmed we are permitted to consider the previous separate Capital Transformation Fund allocations as 1, which gives us increased flexibility.
- Additional T level equipment budget of c.500k has been secured
- Robust cashflow tracking in place to monitor the spend of these additional income streams

A member queried if there is any risk to having to repay any of the income streams if the allocation isn't spent? The COO confirmed HTQ (Higher Technical Qualifications) is the only fund where this is possible. EDB&CP noted the rules are very prescriptive and lots of colleges struggle to spend this allocation since the funding is linked to enrolment targets - we have spent some of this money and will be watching this allocation closely.

Members were asked to note the capital project update from Peter Marsh Consulting (PMC) noting that meeting the next gateway requirement (31 March 2023) is essential to secure the next tranche of funding. All is on track and additional details are available in the paper. The Chair suggested gateway deadlines are added to future reports.

**ACTION: COO to include DfE Gateway information and deadlines in future capital reporting.**

**The Committee noted the paper**

#### **06/23 Item 11: Business Plus update**

The EDB&CP spoke to the paper circulated in advance drawing members attention to the following key items;

- In year target by end of July is expected to be met resulting with an income of £6.2m
- Groundworker standard incredibly positive as are Adult skills – much more likely to meet our budget/allocation.
- Adult Learning loans - still behind but subcontracting spend is positive and recruitment is on target
- Joining Crown procurement service to access wider bids and tenders, this combined with an additional piece of software is helping to identify potential new lines of business.
- Contract from Innovate UK of £280k to support SME -, lots of great opportunities both for SME's and the College group via potential relationships with business, staff resources etc.

A member noted that they had completed several Learner walks within apprenticeships, with one campus left to visit. Enormous thanks to staff for organizing, there is some great feedback which will be channeled via C&Q.

EDB&CP confirmed staff felt valued and enjoyed the opportunity to engage with Governors. The Chair commended EDB&CP and her teams for all the work completed, this is an excellent report, and it feels like the group is in a really positive position.

### **The Committee noted the report**

#### **07/23 Item 12: People & Culture termly report**

Members were provided with an overview of the People & Culture report circulated in advance. Items of note included;

- Restructure is an ongoing huge piece of work with 2 main goals, to drive merger savings and to set structures in place to drive a single institution. Wave 1 now complete with no industrial action, (usual figure is c.5%). All involved have moved over to SHCG contracts which is positive.
- Wave 2 which is about to begin includes 240 employees (double the number of wave 1) this remains an intensive programme of work, but managers are ready and supported by P&C teams
- Wave 3 (which will affect c.30 people) will run concurrently - this reflects job changes referring to centres of excellence (but involves no redundancies)
- Group HRIS (human resources information system) tendered – only got 3 responses, 2 from incumbents, will be looking now at retaining the system currently in use at Eastleigh.
- Due to staffing shortages and complexity of multiple systems, we will be closing Southampton payroll
- Marketing looking at company branding, in time for SHCG easter campaign
- Pay harmonisation and job evaluation by September requested by unions, we are considering that we are doing this along the way when re-structuring, but we will look at this later in the year
- Pulse check survey results included
- Prototype appraisal due to SLT/focus groups and then intention to launch in the next academic year

The Corporation Chair requested that the SPH appraisal system is considered, and SP kept in the loop for purposes of consistency.

#### **ACTION: CPO to ensure that SPH postholders appraisals are considered when appraisals systems/methodology is reviewed**

A member queried if there is a 'best in class' HRIS for FE (Further Education)? CPO confirmed that most of the business versions are out of range for FE budget, but the version we are choosing will be an integrated system, e.g., payroll, CPD, appraisals etc. Members discussed the timeline for HRIS implementation and the impact of any delay to systems and processes. The CPO confirmed that since we are using an incumbent system, we have some in-house expertise, we will be looking into 5 key areas of development before we commit, but we expect to be able to commit to a 5 yr. contract shortly.

Members went onto discuss the addition of a safety culture stream querying if the scheduled 3rd party audit had raised concerns. Members were reassured the audit is yet to start onsite, this potential action is driven by an awareness of the fact there is no current Health and Strategy Strategic oversight role in the business. Options included a '2nd' line of defence which would involve another senior 'operational' post reporting to an alternative team to the COO main H&S team e.g., reporting directly to the CPO. A member endorsed this approach noting concerns raised via a Safeguarding Link visit relating to risk assessment and site oversight responsibilities would be remedied by such an approach.

The Chair reiterated an acknowledgement of the amount of work being done and the effort of all involved, noting it was amazing progress to deliver this amount of work in this short of time.

A member queried the capacity of teams – especially the People & Culture team to continue at this pace? The CPO confirmed that she and her team were tired, but that Wave 2 has a slight advantage in that we've got all the collateral i.e., we've got the letters, formats, and processes from Wave 1 along with some additional resources to support the delivery of the 121 conversations. Wave 3 is slightly different and infers more of a 'change' process than restructure which will be delivered more closely by managers than the P&C team.

**The Committee noted the report**

**08/23 Item 09: Pay Award 2024-25**

The COO introduced this report circulated in advance noting this was just advance warning of a decision paper usually received at the Summer Committee meeting. Members acknowledged the 'watching brief' and noted their comfort that a min 3% increase had been included. subject to the financial results remaining on track. There were no additional comments or discussion.

**The Committee noted the report.**

**08/23 Item 09: Strategy approval**

Members reviewed the Stakeholder strategy circulated in advance. A member queried if the strategy sufficiently covered the role of the Corporation and individual Governors e.g., the Skills Link Governor. The EDB&CP agreed this could be expanded.

**ACTION: EDBCP to ensure Role of the Corporation and individual Governors e.g., the Skills Link Governor to be made clearer within the Stakeholder Strategy.**

Members noted the success of the Collaborative event held last week on 1st March, noting the intention to streamline or at least drive towards collaborative contacts with other educational establishments.

**DECISION: Subject to the addition of more information about the role of Governors & the Skills Link Governor, the Committee approved the Stakeholder Strategy**

**13/23 Any other Business and Date of next meeting**

The Chair suggested that the Committee consider possible deep dive subjects for future meetings suggesting that assets/estates and capital projects feels like a logical next choice. All agreed. Members agreed the ongoing embedding of culture and the development of the P&C agenda remains a priority as such, it would be good to re-visit this deep dive (previously received in November 2023)

**ACTION: DG to note deep dives for the next two Resources Committee's agreed as estates & capital projects and culture.**

There were no further items of business, the first part of the meeting ended at 19.15