

CHAIR APPROVED

**The Corporation of New College Durham**

**Minutes of the Finance and Resources Committee meeting  
held on 8 May 2024**

**Present:**

Stephen King (Chair)  
Joy Brindle  
Andy Broadbent  
Chris Patterson  
Rhiannon Hiles

**Apologies:**

None

**In attendance:**

Karl Fairley (Deputy Chief Executive)  
Alison Maynard (Deputy Principal)  
Paul Bradley (Chief Finance Officer)  
Bob Metcalf (Executive Director of Finance and Corporate Services)  
Elaine Bonham (Executive Director of HR and Corporate Services)  
Kimberly Stevenson (Executive Director of Estates, Facilities and Corporate Services)  
Nik Whiting (Executive Director of ICT and Corporate Services)  
Caroline Winter (Head of Governance & Corporation Secretary)

**Action**

**24/16 Chair's introduction and starred items**

The Chair welcomed everyone to the meeting and noted that Rhiannon Hiles was attending her first Finance and Resources Committee meeting since her appointment as a member of Corporation. It was noted that Chris Patterson would be joining the meeting slightly late.

The Chair reminded members to declare their interests in any item of business to be discussed at the meeting. No interests were declared.

Members confirmed that they did not require any further discussion about the starred agenda item B2.

**24/17 Apologies for absence – none were received.**

**24/18 Minutes of previous meeting**

The minutes of the meeting held on 7 February 2024 (including confidential minutes) were agreed as accurate and signed by the Chair.

**24/19 Matters arising**

There were no follow up actions from the previous meeting.

*Chris Patterson joined the meeting at 4.15pm.*

## **24/20 Financial Monitoring to 31 March 2024 (Paper B1)**

Bob Metcalf presented Paper B1, which detailed the financial position of the College at 31 March 2024.

Bob updated members on the increase in projected surplus since the previous month and explained this was largely due to an increase in both the North of Tyne Adult contract and an increase in HE Partnership income based on the latest student numbers.

Members were briefed on areas of potential risk between now and the year-end and noted that the first issue arose from a DfE review of European Social Fund (ESF) claims, however Bob advised that any reduction in income from this process would be offset by additional funding recently notified from the Office for Students, which was not included in the current forecast figures. One other area of risk related to bootcamps where the current income was quite low with some of the contribution possibly moving to the next financial year. Bob advised this would have little impact on the bottom line however due to the low level of income involved. It was noted that Oxford Business College (OBC) figures were not yet included in the forecast and this would be added when there was a clearer understanding of enrolments which were starting in May. Bob summarised that all other areas of the budget looked to be on target and that overall it was expected to see an increase in surplus before the financial year-end based on current forecasts, which had again been made very prudently.

In response to a member's question Bob provided clarification on the relationship between the pay contingency and pay budget and also the non-staff contingency. Members commented on the prudent approach to the budget and discussed how the increasing surplus might be viewed from an external perspective. It was noted that management maintained close oversight of the accounts, had a clear understanding of spend across the College and were not holding back on expenditure. A smooth trajectory towards the year end rather than significant increases in budget were preferable from both a planning and monitoring perspective and developments impacting on the budget were included in the report narrative to provide a clear and transparent picture. There was also an extensive capital programme enabling the College to demonstrate where funds were allocated. Budgets were challenging at the start of the year but as funds had increased the finance team were currently in discussions with departments to determine whether additional resources were required. Members agreed the prudent approach was sensible, citing the examples of pausing on inclusion of OBC income in the forecast and the two-stage approach to the pay award allowing members to revisit the position when the financial position was clearer.

Members commented on the challenge relating to inadequate levels of high-needs funding and were updated on the ongoing dialogue with Durham County Council. It was noted that whilst ultimately this was a national issue, the College was working with neighbouring colleges in a similar position to try and develop a regional solution. Members requested to receive updates on the issue moving forwards.

**KF /  
AM**

Members noted the College's financial position as at 31 March 2024.

**24/21 Westfirst Financial Monitoring to 31 March 2024 (Paper B2)**

Members received and noted the Westfirst Limited financial reports to 31 March 2024.

**24/22 Capital Developments - Update (Paper B3)**

Paul Bradley presented Paper B3 which updated on the College's major capital projects.

Paul updated that all planning conditions relating to the Artificial Grass Pitch and Car Park Relocation had been responded to in a timely manner. Following a further delay in the Council's response it was anticipated that formal confirmation that the conditions were discharged was expected by the end of the week. A revised programme of works had been requested on the delayed start and the contractor was due to be mobilised to start on site.

Members noted the contractor's progress report on Promotion House had been provided with the paper. Paul briefed members on a three-week delay following to advice provided by the College's Building Control advisor relating to the building's fire escape. A solution was being progressed to resolve the issue and members noted the position with respect to additional costs.

Paul updated members that a report would be submitted to the Committee's next meeting in June outlining the business case for the development of the Sixth Form and Sports Building. Members had previously discussed the benefits of Sixth Form provision having its own identity on campus and exploration of the existing sports building had identified the potential to accommodate the Sixth Form with more efficient use of the plant room space. Members were advised that this update would be included in the Capital Projects update to Corporation, after which a planning application would be submitted to the Council for the development. Whilst this did not commit the College to anything in advance of formal Corporation approval, early submission would enable the project to maintain progress in light of the likely timescales involved in the planning process. The June report would then provide the Committee with the business case to consider estimated costs, design and curriculum case and seek a recommendation that Corporation approve the issue of tenders for the construction

works. Members discussed the likely publicity arising from the planning application and it was confirmed that this would not be submitted until after the Corporation meeting at which the wider membership would be briefed.

Members noted the progress on the Artificial Grass Pitch and Car Park Relocation Project and Promotion House, Langley Moor.

**24/23 Review of cost of living pay award (Paper C1)**

This item is recorded confidentially under minute 24/23a.

**24/24 Workforce Plan/Profile (Paper C2)**

Elaine Bonham presented Paper C2, which summarised the College's workforce profile, current challenges in recruitment and retention and looked ahead to the College's future workforce profile. Members noted that the paper integrated the content of what was previously two separate reports which were now combined to feed into workforce planning.

Elaine highlighted the importance of workforce planning within the HR strategy and members reviewed the workforce age profile noting that whilst it was relatively high, this was to be expected given the nature of work and need for experience which was often industrial or vocational. It was noted that turnover was declining and whilst some turnover was needed in an organisation, a fall from what was previously double this rate was welcomed. Increasing numbers and stronger applications were now being received compared with the position 18 months ago. Members noted the risks and challenges currently impacting on the sector as detailed in the report and the range of strategies used by the College to respond. Elaine advised that succession planning would continue to be a core feature of the workforce plan noting in particular the age profile of the SLT in this context.

Members commended the report for both a thorough analysis of the workforce challenges but also the strategies on how the College would tackle them. Members welcomed the focus on the involvement and accountability of middle management in workforce planning. In response to a member's question, Elaine confirmed that whilst pay was a key factor, the College's reputation was also important alongside the wider benefits package NCD offered including job security, support to new teaching staff, low cost gym membership, hybrid working and free parking. The demographics of the local area would be key to the College's strategy moving forward and the offer was under continuous review. Members commented on the strategies outlined in the report looking ahead to the future workforce profile and requested regular updates on progress moving forwards. It was noted that a number of actions were already in hand to take these forwards and the importance of getting the education workforce right was emphasised as the key to ensuring delivery against local skills needs. Karl Fairley confirmed

that monitoring the KPIs would assist regular oversight of the position but that any significant concerns would be drawn out in a report for members' consideration. It was also noted that some of the actions to be developed in future would need to come back to the Committee for review and approval.

The Chair thanked Elaine for her report and advised that he would encourage the wider Corporation membership to review the content.

Members noted the report.

#### **24/25 IT Project/Infrastructure update 2023/24 (Paper D)**

Nik Whiting presented Paper D, which provided an update of College IT projects approved in 2023/24.

Members were updated on systems and software projects progressing in the current year including phase 2 of the HR/Payroll System, procurement of a new Customer Relationship Management System, development of the online enrolment system, an estates and facilities management system, mobile device management, support for the summer advice centre and an upgrade to the finance management system. Members also noted ongoing activity to support progress on key College strategic priorities including sustainability, modernisation and capital investments including IT requirements for new buildings. Looking ahead to 2024/25, Nik highlighted key elements of the future roadmap, which focused on key software and hardware developments and confirmed the arrangements in place for monitoring and managing projects through the Business Systems Group.

In response to a member's question, Nik confirmed that only the back office element of the HR/Payroll system would be run by the College with the link to the North East jobs site retained. Members discussed the approach to mobile device management, which allowed staff and students to access the College system using their own devices in a secure way and asked about the wider issue of ensuring students had access to a device where this was required for their studies. It was confirmed that students were able to borrow equipment and an access scheme was in place to provide equipment where needed. Work was ongoing to maximise the efficient use of equipment across the College and would also help determine if there was a need for further investment, and the potential to access funding for equipment through the new Mayoral Combined Authority was also being explored to try and ensure that every student that needed IT equipment had access. Overall it was noted that the level of investment in IT came at a cost but was an additional selling point with staff and provided assurance around cyber security.

Members noted the report.

## **24/26 Capital/Compliance Update (Paper E1)**

Kimberly Stevenson presented Paper E1, which updated on progress against the Estates and Facilities Strategy over the current academic year.

Kimberly highlighted key projects progressing over the year including roofing works, CCTV upgrades, BMS system updates, the refurbishment of Promotion House, relocation of activities to support the wider development of the campus site, fire door refurbishments and establishment of the Battery Manufacturing Training Centre. Members noted the continued focus on compliance across the estate to meet statutory requirements through an ongoing programme of maintenance and servicing. The Principal also highlighted the very positive feedback received on the cleanliness and presentation of the College following the recent hosting of an AoC event.

Members sought further information on the activities being relocated and the impact on the curriculum, and discussed the benefits of the College growing its own staff to fill skills gaps as well as the challenges and strategies in retaining them. Whilst there were skills shortages in a number of areas it was anticipated that some of these would see an improvement in attracting staff in a few years as the external market started to settle. In response to a question about oversight of contractors on capital projects, Kimberly confirmed that the Estates team were involved throughout to ensure the College's requirements were met. It was also highlighted that sustainability credentials were an important factor in working with external contractors.

Members noted the report.

## **24/27 Sustainability Update (Paper E2)**

Kimberly Stevenson presented Paper E2, which updated on progress against the College's Sustainability Strategy over the current academic year.

Members were briefed on electricity, gas and water usage, waste management and recycling, public transport usage and the wider Green Travel Plan, staff and student engagement in the College's sustainability agenda, the development of a new carbon emissions report and progress towards sustainability accreditations.

Members commended the report highlighting the substantial progress made over the last two years, including the significance of a 1-2% improvement in the context of energy efficiency and sustainability. Members were pleased to see the information on the College's carbon footprint and emphasised this would be a strong KPI in light of the different elements contributing to the overall outcome measure. Members asked about the sustainable disposal of old equipment when replaced and were updated on the

scheme to offer decommissioned IT equipment to staff at both NCD and the Academy Trust thereby extending its useful life, and that a similar scheme was in operation in relation to equipment from the capital programme. The new printer contract would contain a sustainable recycling agreement and procurement processes ensured contractors were asked about their proposals to dispose of old equipment where relevant.

Members noted the report.

**24/28 Strategic KPIs 2023/24 – update (Paper F)**

Karl Fairley presented Paper F, which provided the latest update (to 31 March 2024) on performance against the agreed Corporate Services strategic KPIs.

Karl highlighted the trend analysis which gave a flavour of progress over the course of the year. Members welcomed the regular updates on progress but commented that there were still some KPIs that were difficult to interrogate due to a lack of clarity on how they were defined. It was felt that whilst KPIs should not be regularly changed it was appropriate to undertake a review/refresh at some point each year. Karl confirmed that the team could look at alternative measures if required and that there was also an option to bring a dedicated report on any area where further detail and focus was required. It was noted that the individual papers from the team provided the triangulation back to the KPI tables and that the ordering of the agenda with the KPI paper towards the end of the meeting was intended to support members' understanding of the detail behind the figures.

Members commented that the report continued to provide greater transparency and recognised this was still work in progress and that the measures would continue to be developed.

Members noted the progress to date on the Corporate Services KPIs for 2023/24.

**24/29 Any other business - none**

**24/30 Date of next meeting: 19 June 2024**

**Signed**.....**Date**.....