

The Corporation of New College Durham

**Minutes of the Finance and Resources Committee meeting
held virtually via Microsoft Teams on 9 October 2024**

Present:

Stephen King (Chair)
Andy Broadbent

Chris Patterson
Rhiannon Hiles

Apologies:

Philip Pollard

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

24/51 Chair's introduction and starred items

The Chair welcomed everyone and 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 C2.

24/52 Apologies for absence were received from Philip Pollard.

24/53 Minutes of previous meeting

The minutes of the meeting held on 19 June 2024 were agreed as accurate.

24/54 Matters arising

There were no follow up action from the previous meeting.

24/55 Enrolment Update 2024/25 (Paper B)

Alison Maynard presented Paper B, which updated on the Further education, Apprenticeships and Higher Education recruitment position up to and including 25 September 2024.

Alison reported that there were no changes to the overall figures but some changes between programmes and that the next report would provide the full picture on learner numbers.

Recruitment was still significantly over the 16-18 target, however new learners were being enrolled as places became available. Members noted the 42-day qualifying period would expire on 13 October after which students on programme would count towards funding and quality statistics, presenting a more settled position. Members noted the areas of full time FE provision with high levels of recruitment.

Alison explained that T Level numbers were lower than predicted, largely due to the government pause on qualification reform. Discussions were taking place with DfE on the issue, which had impacted on all colleges offering T Levels. Part time adult provision was on track with predictions and recruitment would continue during the year. Apprenticeships were also on track, also with recruitment continuing through the year.

Members were advised that HE enrolments were below target with progression students being the key area of concern. Activities to improve on enrolment of Level 3 progression students ahead of next year were already underway and for the current year a number of courses were being marketed for January starts.

Members asked if the decline in the areas of catering, media and lab sciences was being seen more widely than NCD. Alison confirmed that other colleges were in a similar position on media courses but advised that NCD was the only college to offer the science T Level the previous year. After no take up of the T Level this year returning students were infilled into a Level 3 group. More action was needed from the government to promote lab science among young people, but the College's school engagement activity would also assist. Members discussed the catering recruitment figures, noting that although these had met target, they were disappointing. The College's work with Visit County Durham would assist, however the potential to explore this as a programme for adults rather than young people was being considered. Members noted the Centre of Hospitality Excellence initiative, focused around Newcastle and Gateshead and commented that as a regional initiative the College should be included. It was agreed to follow this up.

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In response to a member's question about work with progression students around HE enrolments, Alison advised that some students had gone into employment since leaving, discussions were ongoing with awarding organisations around progressing students and a line by line review across the HE offer was underway.

Members noted the College current position and the actions in section 4 of the report to continue to recruit students across the various funding streams.

24/56 Financial Monitoring to (Year End) 2023/24 (Paper C1)

Bob Metcalf presented Paper C1, which presented the financial position of the College as at 31 July 2024.

Members noted a number of updates to the financial position since the report to the September Corporation meeting. The surplus had reduced as expected, with the main reason being the provision in the draft accounts for the debt relating to the NA College financial position, which was still being discussed with the ESFA. It was noted that further changes relating to this funding may therefore need to be reflected in the final accounts. Members welcomed the update on the NA College position following the discussion at Corporation and were assured that the College was dealing with the situation appropriately.

Further changes relating to income arising from the next Individualised Learner Return (ILR) were anticipated, with adult funding and HE collaborations on target, apprenticeships and Bootcamps above target and all other areas as expected, giving a very positive overall income position. Members noted the additional high needs and OfS funding received and that staffing and non-staffing expenditure were below forecast.

Paul Bradley updated members that Oxford Business College (OBC) recruitment was significantly below target and would impact on the forecast surplus for 2024/25. OBC were reviewing the position and discussions with them were ongoing. The Principal updated on discussions at the strategic meeting with OBC the previous day, which acknowledged that the strong recruitment earlier in the year had resulted from the large pool of learners waiting to enrol when the partnership became live. In the early months of the contract the College had asserted clear requirements around 'right student, right course' and ensuring strong intent which may have impacted on the immediate financial position but provided confidence in the OBC approach and future plans. Discussions had been honest and open with OBC demonstrating a clear commitment to working with the College and learning from its expertise.

Members recognised that the partnership was in its early stages and felt reassured that recent discussions had been positive and forward focused. Members commented that the HE partnerships were strategically important to the College and its ambitions moving forwards but emphasised the importance of ensuring quality provision and the right student right course approach. Members asked about the main area of OBC provision and Alison Maynard confirmed that whilst this was predominantly focused on tourism, a health programme had been offered but was not suitable for the catchment area and so the College was focusing on areas on which they could offer support.

It would be important to review the numbers in due course and in the wider partnerships context. The Principal advised that the first year of the CECOS partnership had been positive and that there were opportunities for further growth with them which the College had previously limited in the early stages of the partnership.

Members noted the report.

24/57 Westfirst Financial Monitoring (Year End) 2023/24 (Paper C2)

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

24/58 Capital Developments – Update (Paper C3)

Paul Bradley presented Paper C, which provided an update on the College's major capital projects.

Members noted that the position was unchanged since the update provided to Corporation at the end of September however the contractor's report had now been attached to the report. Members noted that work on the car park had commenced over the summer and Paul confirmed that the project remained within targets for budget and timetable.

Members noted progress on the Artificial Grass Pitch and Car Park Relocation Project, the Construction Centre of Excellence, the Sixth Form and Sports Building and noted the current Strategic Site Masterplan.

24/59 Sickness absence monitoring 2023/24 (Paper D)

Elaine Bonham presented Paper D, which updated on the sickness absence position for 2023/24. Members noted the sickness absence rate for 2023/24 was 4.06%, which was an increase from the previous year's rate of 3.7% and above the College target of 3%.

Members noted the salary cost of sickness absence for the year, which had increased since 2022/23, as had the number of sick days paid at half pay and at nil pay. The total cost of sickness absence had also increased, however this was a relatively small rise reflecting the additional teaching capacity put in place last year, impacting on the level of supply/external agency usage for sickness cover.

Members noted the top recorded reasons for sickness absence over the period, which were consistent with the previous two years with cancer, stress and anxiety and gynaecological reasons all in the top five. The top reasons for short-term sickness absence were linked to cold and viral infections, which appeared to reflect the nature of the working environment.

Benchmarking data remained limited however Elaine drew attention to the CIPD Annual Survey in September 2023 which reported the highest sickness absence rate for over a decade and advised that the College's sickness position appeared to be in line with other public sector organisations for the period. Members noted the ongoing support to staff which was detailed in the report and the challenges moving forward. Members noted the breakdown of cases at the formal stages of the sickness process.

Members commended the report and welcomed the level of detail, despite the lack of available benchmarking information. In response to a member's question about proactive support for individuals Elaine confirmed that return to work interviews discussed issues in detail to enable specific interventions and support for staff. Members discussed the progress made in recent years in encouraging and supporting staff to have the confidence to discuss issues related to stress, anxiety and the menopause and commented on the importance in being able to record absence for these reasons. Elaine advised that sickness tended to be multi-faceted and that managers were being equipped with the skills to have these conversations with their staff, which may open up other areas for consideration and support. Members commented that whilst sickness had increased marginally overall, it was to be welcomed that it was possible to discuss issues that may previously been taboo and have a more honest relationship with the workforce around absence. Elaine confirmed that whilst there was an option to amend the target to reflect the increase in absence, it was important to have oversight of the analysis and to regularly review plans and the approach to delivering support.

Members noted:

- The analysis of sickness absence for 2023/24;
- The performance of the College in respect of the key national and regional benchmarks (albeit limited);
- The sickness absence rate for 2023/24 (4.06%) in relation to the KPI for sickness absence as detailed in the Human Resources Strategy, which is to keep the rate under 3%.

24/60 Mental Health and Wellbeing Strategy Update (Paper E)

Elaine Bonham presented Paper E, which updated on progress and impact of the College's Mental Health and Wellbeing Strategy. Elaine advised that the current paper focused on the staff element of the joint strategy and that a separate paper covering the student element would be considered by the Education Quality, Curriculum and Students Committee.

Elaine updated that the College had adopted the Association of Colleges (AoC) Mental Health Charter, which provided a comprehensive framework to support the mental health and wellbeing of staff and students. The College had included an additional strategic aim to reflect the importance of fostering a workplace culture that supports and invests in staff and their

wellbeing.

Members noted the increase in sickness absence as discussed in the previous item and that over 21% of absences related to mental health. Elaine explained that due to the difficulty in measuring the impact of the strategy the report focused on presenting the achievements, progress made against strategic aims and future actions. Members noted that feedback from both staff and external assessors on interventions had been very positive providing an indication of the College's progress.

Members commended the paper and recognised the challenges in both addressing the increasing prevalence of mental health issues and evaluating the effectiveness of interventions. Members recognised the extensive interventions in place and in response to a question about keeping pace with the increase in mental health issues, Elaine emphasised the importance of ongoing dialogue with staff, supporting individuals in returning to work, early intervention and counselling support, obtaining qualitative feedback through staff surveys and focus groups on what was a constantly evolving picture and recognising that there was no one size fits all approach so that a tailored response was required.

The College had worked hard to address the stigma associated with mental health and whilst it was difficult to measure the true impact of the strategy, consideration could be given to the likely position without the various interventions in place. Whilst there was a financial cost in providing the level of support, its value together with a focus on helping people to be happy at work would also be reflected in recruitment and retention. Elaine reiterated that the issue was much wider than the College and involvement in the Better Health and Work Award would help shape the next stage of activity.

Members reiterated their praise for the College's approach and noted the report.

24/61 Network Security Management 2023/24 (Paper F)

Nik Whiting presented Paper F, which provided an update on network security management activity over 2023/24.

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24/62 Data Protection Policy – verbal update

Karl Fairley updated members that the Data Protection Policy was recently reviewed by the Senior Leadership Team (SLT) as part of the regular process to review policies every five years. Karl advised that no changes were proposed to the policy and the existing version had been re-approved by the SLT for issue. It was noted that there was potential for changes to the relevant legislation over the next year, at which point the policy would be reviewed again to reflect any necessary changes.

Members noted that the Data Protection Policy was re-approved by the Senior Leadership Team without amendment on 2 September 2024.

24/63 2023-24 Year End Report on Corporate Services Strategic KPIs – Performance and Impact (Paper H1)

Karl Fairley presented Paper H1, the annual update on progress against the key performance indicators (KPIs) in the Corporate Services Strategies.

Members reviewed progress against the KPIs for Estates and Facilities, Finance and Procurement, Human Resources and ICT

and Systems Development. Karl highlighted the KPIs on sickness absence, health and safety breaches and disruption to network services and that the detail behind the relevant KPIs had been reported to governors during the year. Members commented that the reports, KPIs and performance RAG ratings were clear and contained no surprises. A discussion followed on the importance of setting challenging but achievable targets and members confirmed they were content with the KPIs as agreed the previous year. Members also commented that the layout of the reports support governors to identify 'hotspots' with explanatory narrative provided. Karl advised that whilst Directors would provide a detailed report covering the key areas of their activity during the year, the performance reports provided an early warning on progress and issues, enabling governors to commission further detailed reports as and when necessary.

Members noted the attainment/progress against the KPIs for 2023/24.

24/64 Strategic KPIs 2024/25 (Paper H2)

Karl Fairley presented Paper H2, which provided the latest update on the agreed KPIs for 2024/25.

Members reviewed the latest figures for Estates and Facilities, Finance and Procurement, Human Resources, and ICT and Systems Development and Reporting and noted the information was a very early snapshot of the position for the current year. Elaine Bonham advised there was an addition to the health and safety figures and an update would be included in a future report. Kimberly Stevenson updated on progress in developing KPIs for sustainability with a view to moving away from accreditation measures.

Members noted the progress to date on the Corporate Services KPIs for 2024/25.

24/65 Any other business – none.

24/66 Date of next meeting: 20 November 2024

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