



MidKent College

GOVERNING BODY

FINANCE AND RESOURCES COMMITTEE

Minutes of the meeting of the Finance and Resources Committee held on Wednesday 27 September 2023 at 17.00hrs on Teams.

Present:

Miss A Currie	Chair
Mr M Cook	GB Chair
Mr S Cook	Principal/CEO
Mr D Gagie	
Ms A Orhiere	
Mr M Prentis	Co-opted

In attendance:

Ms C Burkin	Clerk to the Governing Body
Mr C Hare	Executive Director of Employers & Corporate Services
Mr W Herring	HR for item5
Mr P Hogben	ICT for item 10
Mr M Peat	Executive Director of Finance & Estates
Mrs J Thompson	HR for Item 5

1 Declarations of Interest

The members' interests are numbered and referenced on the Declaration of Interest log which can be obtained from the Clerk.

2 Apologies for Absence

Apologies were received from Mrs M Quadri.

3 Minutes of the meeting held on 27 June 2023

The minutes of the meeting held on 27 June 2023, Paper GBF&R22/1164, were accepted as a true record and approved by the Committee.

4 Matters Arising and Outstanding Matters Report

Members discussed Paper GBF&R23/1165, the Outstanding Matters Report.

- No 1. Estates Strategy Update – M Peat informed members that Consultant Steve Smith has been employed to take this forward. **Ongoing**.
- No 2. Draft Group Budget for 2023/24 – approved by Governing Body – **Complete**.
- No 3. HR themes – C Hare and A Currie meeting to agree – **Complete**.
- No 4. Risk Register Review – paper presented at item 11 and at each meeting – **Complete**.
- No 5. Committee Self-assessment 2022/23 & Improvement Plan for 2023/24 - approved by Governing Body – **Complete**.

5 HR MLP Update – paper GBF&R23/1166

Julia Thompson and Wade Herring joined the meeting to present papers GBF&R23/1166 which included the Gender and Equal Pay reports.

Wade Herring highlighted points from the MLPs including the 100% compliance staff mandatory training.

Members noted the content of the report and focused their discussion on the recruitment and retention challenges around staff and explored the concerns raised in exit interviews. They were particularly interested in any trends and asked for this to be included in the next report.

Action: W Herring

Members were reminded that Business Continuity and Establishment meetings are held weekly to monitor and address any issues. C Hare also assured members of the innovative ways in which the College is overcoming some recruitment challenges, such as the immersive classroom where expertise is shared with other Kent colleges and staff development, and the Asping Managers programme, after which many participants have progressed to management roles. Members noted the sector wide challenges and the positive position of the College.

Julia Thompson updated the Committee on the position in respect of the statutory Gender Pay Report and the voluntary Equal Pay Audit for 2023.

Gender Pay Report

- Mean Pay gap has decreased by 1.02%
- Median Pay gap has increased by 0.25%
- Majority of the changes are as a result of the implementation of new pay scales to replace the management spine.
- 4% increase in the percentage of female staff in the upper quartile
- Voluntary inclusion of Ethnicity & Disability pay gap information
- Ethnicity Pay Gap calculated using new government guidance.

Equal Pay Audit

- Report indicates that progress is being made to reduce any significant gaps as a result of the implementation of new pay scales.
- No significant risks at present in respect of either gender, disability or ethnicity.
- Work continues to update/ formalise College pay scales.

Members thanked W Herring and J Thompson for the update and were assured there are no outlining negatives in the reports. They felt the College is making good progress regarding pay and thanked the team for the work undertaken.

The Committee agreed to **recommend** the pay reports to the Governing Body for publication.

Action: A Currie

6 Draft Management Accounts to the end of July 2023 – Paper GBF&R23/1167

Martin Peat introduced paper GBF&R23/1167, the MKC draft management accounts and the MKCTS draft management accounts to the end of July 2023.

[This item was minuted as confidential.](#)

Members thanked M Peat and the team for the positive update, they found the detail in the report useful for gaining assurance. They congratulated the team on the accuracy and improvements within the accounts.

Members **accepted** the accounts and thanked M Peat.

7 Student Enrolment – Financial Impact Update – Paper GBF&R23/1168

Martin Peat presented the paper which provided an update on the 16-19 enrolment and the impact on 2023/24 and 2024/25 funding. He highlighted the following points:

- The College received an updated 16-19 funding allocation statement following the Government announcement of additional FE funding for 2023/24.
- The comparison of the budget funding allocation and the revised allocation is detailed in the paper.
- The main student enrolment period has concluded and the student numbers to date were detailed in the report.
- Enrolment will continue in small numbers and there will be an impact on retention as some students leave.
- Allocation and business plan targets have been met.
- The management accounts will reflect any variances monthly.

Members thanked M Peat for the update and congratulated the team.

8 Pay Award 2023/24 – Paper GBF&R23/1173

Simon Cook outline of the Pay Award to staff for 2023/24 prior to submitting for Governing Body approval.

Due to the content, this item was minuted as confidential.

Members agreed the recommendation to the Governing Body.

Action: A Currie

9 Investment Fund – Paper GBF&R23/1169

Martin Peat presented the paper which provided an update on the Charles Stanley Investment Fund as at September 2023.

Members noted:

- The College has transferred all of the £25m agreed cash to Charles Stanley to manage on its behalf.
- To date 90% of that cash has been invested.
- The portfolio is currently valued at £25,011k.
- The current forecast for annual return is £576k, which is a return of 2.59%.

Members noted the full valuation report which gave broadly a positive picture and thanked M Peat and M Prentis for the update.

10 Policy Update – ICT Policy 2024/25 amendment – verbal

Paul Hogben, Group Director of Technology, joined the meeting and explained the full ICT Policy is not due for review until 2024/25 but an up-date regarding the staff, Bring your own device (BYOD) section, regarding accessing College data and College personal data from a personal device, is necessary due to the cyber security requirements.

He guided members through the process and explained the necessary changes to meet the requirements of Cyber Essentials Plus. Members noted that students are not impacted by this change and that currently Governors are exempt due to the nature of their work, but ICT will be working with the Board to ensure compliance in the near future and safeguard College data.

Members thanked P Hogben for the update and understood that the College needs to comply with the Cyber Essential Plus recommendations but stressed that the Governing Body must be kept well informed and guided through this significant change.

Action: P Hogben

At was agreed an amendment to the ICT Policy will be issued at the next meeting F&R Committee in November 2023 for approval and recommendation to the Governing Body. The full ICT Policy will be reviewed at the next cycle in 2024/25.

Action: P Hogben/Clerk

Standing items received for information:

11 Estates and Facilities Update – Paper GBF&R23/1170

Martin Peat provided members with an update on the work undertaken and progress on facilities capital and maintenance works. Members noted the progress with the Medway School of Arts (MSA) and the Institute of Technology (IoT) at UCM. All Governor are welcome to visit the facilities.

He highlighted there are no concerns in respect of current capital projects in terms of cost or timeline and the decarbonisation project is covered by the next item.

Members thanked M Peat for the update.

12 Progress on sustainability at MKC – Paper GBF&R23/1171

Martin Peat introduced the paper which informed the Committee of the progress to date and request approval for three elements of the decarbonisation project:

- To approve the appointment of the main contractor following a successful tendering process and recommendation from Hillside Infinitas. Members **approved**.
- To approve the recommendation in respect of the VAT aspect of the project, i.e. not to set up or use a special purpose vehicle to try to improve the cash flow. Members **approved**.
- To approve the revised budget to allow for the full project as designed to proceed and to take full advantage of the PR and marketing opportunities and recommend to the Governing Body.

Members were also updated on the progress on other aspects of the decarbonisation project. The timeline is on track to produce the desired outcome of a major reduction in the College carbon footprint and to set the benchmark for FE in decarbonisation.

Members thanked M Peat and the Sustainability Group for the scrutiny already taken with this project and **approved** the main contractor and VAT aspect. They agreed to recommend the increase budget to the Governing Body for approval.

Action: M Peat/A Currie

13 Risk Register Review – Paper GBF&R23/1172

As requested by the Committee, Martin Peat presented the risks from the operational risk register, which the Committee are responsible for. He reported no concerns.

Members noted and agreed the changes made since publication and thanked M Peat for the list which enables the Committee to monitor the risks.

They noted the current full operational risk register is available on Board Intelligence for reference.

14 Any Other Business

Agenda for 16 November 2023 – the agenda was approved with the addition of a Deep Dive re recruitment and retention of staff and understanding the possible impact on the strategy, remaining staff and on delivery, lead by HR.

15 Date of Next Meeting

The next meeting is scheduled for Thursday 16 November 2023 at 5pm on teams.

The meeting closed at 19.02.