



**MidKent College**

**GOVERNING BODY**

**FINANCE AND RESOURCES COMMITTEE**

Minutes of the meeting of the Finance and Resources Committee held on Wednesday 8 May 2024 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	
Mrs M Quadri	

**In attendance:**

Ms C Burkin	Clerk to the Governing Body
Mr C Hare	Executive Director of Employers & Corporate Services & Deputy CEO
Mr W Herring	HR for item 5
Mr M Peat	Executive Director of Finance & Estates
Mr S Smith	For item 6 only
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.

David Gagie declared that he is Chairing the Board at the School and College of Economic History Society but does not think there is any conflict.

**2 Apologies for Absence**

No apologies were received.

### 3 Minutes of the meeting held on 28 February 2024 – Paper GBF&R23/1195

The minutes of the meeting held on 28 February 2024, Paper GBF&R23/1195, and the confidential minutes were accepted as a true record by the Committee with one typo amended.

### 4 Matters Arising and Outstanding Matters Report

Members discussed Paper GBF&R23/1196 the Outstanding Matters Report.

No 1. Estates Strategy Update – **Complete** at item 6.

No 2. LSIF Update – C Hare updated members on the project. The partnership with MKCTS is going well and the project is on target and on budget. **Complete.**

No 3. Security Policy – agreed by the Governing Body – **Complete.**

No 4. College Zero branding re. C Hare shared with members **Complete.**

No 5. Risk Register to be updated to reflect the new risk appetite. **Complete.**

No 6. Members felt it may be useful to have further information regarding MKCTS growth and strategy and it was agreed the Chair would consider this. Members felt that as MKCTS are included in the management accounts and the Executive members on the Committee all sit on the MKCTS Board, there was sufficient resource to update the Committee. **Complete.**

### 5 HR Update – Paper GBF&R23/1197

[Julia Thompson and Wade Herring joined the meeting](#) to present the paper to update members.

W Herring highlighted points from the MLPs noting improvements in most areas.

J Thompson updated members on succession planning noting that the opportunities given to staff such as the train to teach and aspiring managers courses, have improved staff retention and progression. Members were pleased to know that a high percentage of staff on the courses progress but were concerned about the remaining co-hort. J Thomspson assured members that continued support and development is available to the staff following the courses.

She updated members on the functions of the new HR system, being rolled out in September, which will allow further data analysis and support staff development plans.

Members challenged the value of the Exit Interviews in their current format, and it was agreed other approaches would be explored but still allow feedback from leaving staff. They also asked how the College gain feedback from wider staff and were reminded about the pulse surveys that go to all staff periodically.

Work/life balance was also discussed with the sharing of ideas and practices at other organisations. Members felt a flexible approach may be expected by some applicants and could improve staff retention. J Thompson noted the comments but explained that the College requires staff to be on site to assist with students and an adult presence supports good behaviour. She also felt staff and applicants would understand the requirements of a college.

Members noted the absence data and reasons for absence and asked if there were any concerns. J Thompson assured members there were no concerns with short term absence and long-term absence was well managed.

Members were assured that the College has network connections and works with other colleges to keep abreast of the local and national landscape.

Members thanked Julia for the update and noted this would be Wade's last meeting as his is leaving the College. They thanked him for his contributions and wished him well for the future.

[Julia and Wade left the meeting.](#)

## **6 Estates Strategy for approval – Paper GBF&R23/1198**

Steve Smith, the College retained property consultant, joined the meeting and with Martin Peat introduced the revised strategy document, which had been amended following the comments from the last meeting. Members received a short presentation from Steve Smith.

Members noted the document was presented in the format recognised and accepted by the ESFA to ensure the College is compliant with its estate's strategy. They were also assured the College is in a good position regarding space and utilisation.

S Smith presented options regarding next steps:

1. Base Case; Student number growth and maintain existing estate;
2. Environmental Energy Project; UV panels and heat pumps at both sites plus assumptions in base case;
3. Energy + Sub-let; Option 2 plus sub-let target 10% of surplus space on short / medium term licenses and leases.

He recommended options three which gave the College the flexibility to respond to future growth but met the required criteria.

Members were mostly pleased with the report and the flexibility of option three but asked for the section regarding the College's future plans to be strengthened.

**Action: M Peat**

Members thanked Steve and Martin for the presentation and subject to amendment discussed and an update of the numbers included, **approved** the strategy for **recommendation** to the Governing Body

## **7 Draft Management Accounts to the end of March 2024**

Martin Peat introduced paper GBF&R23/1199 the MKC draft management accounts and the MKCTS draft management accounts to the end of March 2024.

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

Members accepted the accounts and thanked M Peat.

## **8 Outline Budget for 2024/25 Business Planning Update – Paper GBF&R23/1200**

Martin Peat introduced the paper which provided the Committee with the 16-18 business plan, funding allocation and variance report highlighting the business plan impact predicted on the 2024/25 budget. He explained that the rationale behind the growth along with student applications, will be scrutinised at the QTL Committee 25 June 2024 to which members can attend. Members were encouraged to attend this item at the QTL Committee on 25 June 2024 to better appreciate the proposed areas of growth.

Members noted that the business plan was completed in terms of the 16-18 funding stream and student numbers and the College has received the 16-18 funding allocation for 2024/25. The business plan showed 13% student growth over the allocation, equating to potential funding growth for the following year. Although there is a good possibility of some of this funding to be allocated in year should the business plan be met but this will not be included in the budget.

Members requested that the next iteration of the budget should include updated business cases for investments such as MSA and Home Educated against budgeted growth, to enable tracking and rationale behind the assumptions. A discussion was held regarding budgeting for growth and the possibility of including additional funding, but it was agreed a more prudent approach was suitable in a year when there may be significant changes in the landscape.

Member thanked Martin for the update. They were confident in the assumptions and looked forward to a clear steer in the budget paper at the next meeting.

**Action: M Peat**

## **9 ESFA Financial Handbook Update - Paper GBF&R23/1201**

Martin Peat introduced the paper which informed the Committee of the main changes in new ESFA financial handbook.

Members noted that the ESFA have released a revised financial handbook which primarily provided points around the change of classification to the public

sector, the new restrictions and scrutiny regarding comply with the new regulations.

M Peat reported that the impact on the College is low as it does not have any borrowing, nor any plans to have any need for new borrowing in the foreseeable future.

He did however highlight the need to be vigilant with regards to the Subsidiary Company as it is also now reclassified and is required to comply to the new regulations. In particular in the topics of the salary and severance cap and also new contracts which might be considered novel and contentious.

Members thanked Martin for the overview.

## 10 Policies for Review

### Sustainability Policy GBF&R23/1202

Martin Peat introduced the Sustainability Policy which had been revised and rewritten. Members asked that the wording is reviewed regarding commitments to the climate action 'roadmap' to ensure the College is comfortable with the requirements.

**Action: M Peat**

Members asked that if the review leads to substantial changes, the policy should be re submitted to the Committee at the next meeting. If there were only minor amendments, members agreed to **approved** the policy for **recommendation** to the Governing Body.

Members also noted the Modern Slavery statement had been reviewed and updated with minor changes, so is not required to be recommended to the Governing Body but is available on request.

### **Standing items received for information:**

## 11 Progress on sustainability at MKC – Paper GBF&R23/1203

Martin Peat introduced the paper to update the Committee with the latest progress in respect of the decarbonisation project.

He reported the contract had been finalised and signed and the contractors were working well with the College.

The work on site to date had been limited to the drilling of the bore holes at Maidstone for the ground source heat pump, and this is on target. Members noted the budget is in a good position with some contingency remaining.

Member thanked Martin for the update and continued progress with the project.

## **12 Investment Strategy Update - Paper GBF&R23/1204**

Mike Prentis and Martin Peat introduced the paper.

This was presented for information and members noted the quarterly report showed the value of the investment had grown but recognise that as this is a long-term investment, the value could decrease as well as increase.

Members noted the updated position.

## **13 Gifts and Gratuities Annual Update - Paper GBF&R23/1205**

The Clerk, Corine Burkin, informed members that there had been no gifts or gratuities recorded in the last 12 months and this was being reported in line with the requirements of the College's Procurement Policy.

Members noted the update.

## **14 Risk Register Review - Paper GBF&R23/1206**

Martin Peat introduced the paper which noted the current assessment of the finance and resources risks from the operational risk register.

Members noted that two risks had been reduced from medium to low:

- Risk 1 – related to the 16-18 funding, as the funding risk date has passed, and the College has received additional in year funding the likelihood reduces to 1.
- Risk 14 – related to the potential for breach of policy, there are no current concerns in this area and so the likelihood of the risk reduces to 1.

Members thanked Martin for the update with no concerns raised and no amendments required.

## **15 Estates & Facilities Update - Paper GBF&R23/1207**

Martin Peat introduced the paper which provided general information regarding some of the projects and works undertaken across two campuses this year to date.

Members noted the report and were pleased to see the work of the team.

## **16 Review of the meeting**

Members felt the meeting ran well to time with opportunity for discussion when required. They questioned if the HR update was required at each meeting. They agreed it should remain on the agenda but perhaps be focused on certain themes.

**Action: A Currie/C Hare to meet and discuss**

The Chair thanked members and asked them to feedback any further thoughts to herself or the Clerk.

**Action: Members**

**17 Any Other Business**

Share Capital – paper GBF&R23/1208 - This item was [minuted as confidential](#) and taken earlier in the meeting after item 8.

Agenda for the next meeting was amended to remove the investment update. Members agreed the remaining items.

The Chair thanked David Gagie for his contributions to the Committee as this was his last meeting.

**18 Date of Next Meeting**

The next Committee meeting will be held on Thursday 19 June 2024 at 17.00hrs on Teams.

The meeting closed at 19.11hrs.