



MidKent College

GOVERNING BODY

FINANCE AND RESOURCES COMMITTEE

Minutes of the meeting of the Finance and Resources Committee held on Wednesday 20 November 2024 at 17.00hrs on Teams.

Present:

Miss A Currie	Chair
Mr S Jackson	
Ms A Orhiere	
Mr M Prentis	
Mrs M Quadri	

In attendance:

Ms C Burkin	Clerk to the Governing Body
Ms L Ford	Item 6
Mr S Hardie	Governor Observing
Mr C Hare	Executive Director of Employers & Corporate Services & Deputy CEO
Dr J Mawby	Item 6
Mr M Peat	Executive Director of Finance & Estates
Mrs J Thompson	HR for Item 5
Ms A Bowman	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 Mr S Cook due to illness.

Welcome Governor Stuart Hardie as an observer.

3 Minutes of the meeting held on 25 September 2024

The minutes and confidential minutes of the meeting held on 25 September 2024, Paper GBF&R24/1227, were accepted by the Committee as a true record.

4 Matters Arising and Outstanding Matters Report

Members discussed Paper GBF&R24/*, the Outstanding Matters Report.

- No 1. F&R recommend the Gender Pay report to the Governing Body for approval. **Complete.**
- No 2. Investment Fund Annual Review - It was noted that the Executive needed to ensure the Governing Body are kept up to date about how the investment funds are being used. M Peat informed members that a report is being prepared for the GB Away Day. **Ongoing.**
- No 3. Members agreed to the continuation of the Charles Stanley – **Complete.**
- No 4. Estates & Facilities Update - Members felt that a refresh of the Estates Strategy. This was agreed as an item for the next meeting. **Ongoing.**
- No 5. Decarbonisation Project – M Peat gave an update on the position regarding VAT. **Complete.**

5 People Services Team Update – focus on changes in employment legislation– Paper GBF&R24/1229

[Julia Thompson and Andea Bowman](#) joined the meeting to present the paper which provided summary information with regard to the College's workforce, including comparative and trend data. She highlighted the following:

- Mandatory training compliance at 99.49%
- Induction attendance within 14 days above 90% target
- Time from advert to offer decreased year on year (partial year figures)
- Voluntary turnover is the lowest in 10 years, partly due to increased numbers of employees.
- Alternatives implemented rather than a reliance on exit interviews alone.
- Staff retention has improved due to further support to settle new staff and the new L&D system supporting managers. Members requested that the retention data includes length of service.

Action: J Thompson

The paper also provided a focus on the impact of recent or forthcoming changes in employment legislation. Andrea Bowman led members through a summary of changes under employment rights bill and impact on the College. She reported no significant requests for flexible working arrangements and explained the approach within the College to ensure fairness.

Members thanked Julia and Andrea for the update, and [they left the meeting.](#)

[Lisa Ford, Jim Mawby and Mo Quadri](#) joined the meeting.

6 Deep Dive: Analysis of enrolment data - 16-19 Recruitment Data - Paper GBF&R24/1230

Lisa Ford, MIS Manager joined the meeting to present the analysis of enrolment data - 16-19 Recruitment Data.

She gave a presentation of some of the data used to inform business planning which gave members some context as to how the College make predictions around growth and local need.

Members discussed the demographic and predications for the next five years noting a decline in 16-18 years olds after 2027. The Committee discussed the new and growing provision in the College such as A Levels and recognised how the data informs decisions.

They had a discussion about employability skills and working with employers to meet local skills and employment needs.

Members thanked Lisa Ford and [she left the meeting](#).

7 Medway School of Arts – Business Case Update - paper GBF&R24/1231

[Jim Mawby joined the meeting](#) to present the report which provided an updated financial position and forecast for the MSA provision and Martin Peat reported revised student numbers. Members noted:

- The revised student numbers and courses in line with the new expectation of growth and plan following the knowledge of the first two years trend and their revisions to the courses being offered.
- The revised student plan had been used to provide the new financial forecast.
- The outturn for 2023/24 was an improved deficit position despite lower than planned student numbers as staff and non-pay costs were reduced to a greater level. Therefore, the resulting deficit was £650k.
- The original plan from two years ago showed a planned deficit of £731k for 2024/25, the business plan showed a deficit of £706k and this has now been revised to forecast a deficit of £740k following the actual student recruitment in year.

Members thanked J Mawby for the update and revised forecast. They challenged the slow growth of the provision but recognised that it was originally agreed that the MSA would not break even for five years.

Members were assured the College is doing all it can to raise awareness and the profile of MSA and the space is being promoted well. They recognised the College is new to this provision and the brand will take time to establish.

Members discussed the 5year break clause in the lease agreement and alternative options for using the space if required.

It was agreed that further work on the current financials is required, and members asked J Mawby and M Peat to work on these for the next meeting.

Action: J Mawby/M Peat

Members thanked Jim for the update, and [he left the meeting](#).

8 Draft Management Accounts to the end of September 2024 - Paper G BF&R24/1232

Martin Peat introduced paper GBF&R24/1232, the MKC draft management accounts and the MKCTS draft management accounts to the end of September 2024.

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

Members accepted the accounts and thanked M Peat.

9 Policies for Review - Paper GBF&R24/1233

As there were only minor changes to the policies, they were not required to come before the Committee and are listed for reference only.

- a) ICT Software Management Policy
- b) Procurement Policy
- c) Tuition and Exams Fee Policy
- d) Apprenticeship Tuition and Exams Fee
- e) MKC Short Term Treasury Policy
- f) Long Term Investment Policy

All policies are available on request or via the College website.

Standing items received for information

[Stewart Jackson joined the meeting](#)

10 Decarbonisation Project Update – Paper GBF&R24/1234

Martin Peat presented the paper which provided an update on progress for MKC Zero. Members noted the following highlights:

- Progress remains on target for completion mid to late March 2025.
- Salix grant is on target for the final drawdown and there are no issues to report.
- The project has generated its first solar energy at Medway, a major milestone.
- The budget remains at the same level as the last meeting, £12,272k plus VAT.
- Progress is being made on the potential for a VAT reclaim.
- The College should create an invite and VIP target for the completion of the project and the 'switch-on' of the heat pumps etc for a celebration event.

M Peat informed members that Phase Two is in the planning and he will bring a proposal to a future meeting as approval is required. Phase Two will further support the College in becoming net zero.

He offered to host tours of the facilities for Governors on request. The Committee congratulated the College on progress and thanked Martin for the update.

11 Investment Strategy Update - Paper GBF&R24/1235

Martin Peat and Mike Prentis updated members who noted the latest quarterly statement from Charles Stanley.

They noted the account is a long-term investment and the statement provided the latest balance and movement on the account.

The balance stands at the end of September 2024 show an increase from the original investment.

Members reflected on the suggestion made at Governing Body, that an independent review be conducted but felt this was not required at this stage as the investment is performing well.

Members noted the update.

12 Risk Register Review - Paper GBF&R24/1236

Martin Peat presented a list of risks relevant to the Committee. It was agreed these had been covered by the agenda items and papers presented and are all low or medium risks.

Members required no changes and no concerns were raised.

13 Review of the meeting

Members felt the meeting ran well with time for good debate and challenge.

Observer S Hardie thanked the Committee for allowing him to attend and he asked to return to the next meeting.

14 Any Other Business

Bemix Proposal – Paper GBF&R24/1237

[Christina Hart joined the meeting](#) to make the proposal to the Committee and provide an outline of the finances associated with a potential pilot - Supported Internship Partnership planned for 25/26 at our Medway campus.

She explained this small pilot can likely be delivered as a partnership, however, there is a small risk that this will be viewed as a subcontract. For this reason,

approval is required from F&R Committee to ensure that the College remains compliant with the financial regulations whilst this is confirmed.

She highlighted the following key points:

- This partnership will enable the College to meet the accountability targets set on increasing the supported internship provision.
- The curriculum development is in keeping with the curriculum strategy and discussions which have previously been approved.
- The small pilot can be delivered as a partnership agreement, however there is a risk that it may need to be viewed as a formal subcontract agreement. An updated subcontracting guidance is waiting to be published to confirm this.
- If the subcontracting requirements for 25/26 dictate this must be delivered as a subcontract rather than as a partnership, our financial regulations mean further approval would be required from the F&R Committee.
- If this is subsequently viewed as a subcontract all other due diligence has been completed and the value of the contract would not require auditors involvement at this stage.

Members thanked C Hart and noted the risks regarding the external scrutiny required if the subcontract exceeds the £100k threshold and therefore the impact on the College. They challenged the need for the provision and requirement of a partnership. They were assured by her response and agreed to the proposal for note at the Governing Body with a review of the provision and its growth in 12 months.

Action: C Hart

Draft agenda for 26 February 2025 – C Hare offered to review the next People Team Theme outside the meeting. The Deep Dive for ICT Investment was agreed with the possibility of also including the Third-Party reliance report once content has been confirmed with S Cook. It was agreed an outline of the refreshed Estates Strategy would be included looking at options for additional space.

Action: C Hare/M Peat/S Cook

15 Date of Next Meeting

There will be a Joint meeting with the GR&A Committee on 27 November 2024 at 5.30pm.

The next F&R Committee meeting will be held on Wednesday 26 February 2025 on teams at 5pm.

The meeting closed at 19.12