

Heart of Yorkshire Education Group Corporation ('Corporation')

Board of Governors ('Group Board')

Finance, People and Resources Committee ('Committee')

Minutes of the Meeting held on 21 November 2023 ('Meeting')

Present: Claire Corneille, Jayne King, Andrew McConnell and Neil Warren ('Chair')

Clerk to the Corporation ('Clerk')

In attendance: Jason Pepper (Group Executive Director: Finance and Resources ('JP')), Dawn Hartley (Director of Finance) and Karen Sykes (Group Executive Director: People ('KS')).

Apologies: Michael Clarke

1. Appointment of Chair and Vice Chair

IT WAS RESOLVED THAT Neil Warren would be appointed Chair and Jayne King Vice Chair of the Committee for the remainder of the year and up until the first meeting of the next academic year.

2. Welcome

The Chair welcomed those present including Tony Jackson who was attending his first meeting of the Committee, reported that due notice of the Meeting had been given and that the Meeting was quorate. Accordingly, the Chair declared the Meeting open.

3. Apologies, declarations of interest and any other business

3.1. The Chair noted that Michael Clark had given his apologies.

- 3.2. The Chair stated that he was not aware of any conflicts of interest and asked members to make any necessary declarations. No declarations of interest were made.
- 3.3. The Chair reminded the Committee of the rules of confidentiality.

4. To receive and approve the Minutes of the meeting of 20 June 2023

- 4.1. IT WAS RESOLVED THAT the minutes of the meeting of the Committee of 20 June 2023 were approved.
- 4.2. The Clerk addressed the outstanding matters arising with deadlines on or before the date of the Meeting:
 - 4.2.1. In relation to matter arising one, members asked for confirmation as to how the staffing costs ratio target had been arrived at. This matter was rolled over to the next meeting.
 - 4.2.2. In relation to matter arising two, members asked which parts of the Group's provision provided the best contribution. JP outlined those areas which made good contributions and those which were more of a challenge.

5. Finance Annual Report 2022/23 (inc. 2022/23 Outturn)

- 5.1. JP noted the following:
 - 5.1.1. That the Group's anticipated outturn position for 2022/23 remained significantly better than budgeted.
 - 5.1.2. That actuarial data received from West Yorkshire Pension Fund gave the Group's pension asset and the Group auditor's recommended accounting treatment of this.
 - 5.1.3. Please see confidential minutes.
- 5.2. Governors:
 - 5.2.1. Please see confidential minutes.
 - 5.2.2. Asked for an explanation of the historic pay claims. JP explained these mostly related to the Brazel case.
 - 5.2.3. Asked whether the Group's auditors were comfortable with the above mentioned treatment of the Group's pension asset. JP confirmed. Governors were satisfied it was the correct approach.
 - 5.2.4. Please see the confidential minutes.

6. Finance Report

6.1. JP noted the following:

6.1.1. In relation to the Group's operating position:

6.1.1.1. That due to several upcoming issues the information in the report would likely change significantly in the coming weeks.

6.1.1.2. That the Group would be recognising significant additional ESFA funding in the coming weeks and additional high needs funding although these had not been included in the financial report yet.

6.1.1.3. That further costs would crystallise as the year unfolded including additional pay costs relating to the proposed pay award and introduction of the real living wage and additional costs arising from the Brazel case.

6.1.1.4. That the Group was down on budgeted apprenticeship starts, that FE tuition fees had, again, fallen and recruitment difficulties had led to higher than anticipated agency staff use.

6.1.2. That the Group had comfortably achieved a financial health rating of 'Good' at the end of October and he was confident of achieving this for the year.

6.1.3. That cash remained well above the forecast for the time of year although this was largely due to additional funding which would be spent by specified deadlines.

6.2. Governors:

6.2.1. Asked whether agency staff were being retained. KS confirmed this was on a case-by-case basis and noted staff were employed directly where possible but shortages had driven the need.

6.2.2. Asked when an updated forecast would be provided. JP confirmed this would be at the December Board meeting.

6.2.3. Asked where the Group was experiencing pressures. JP confirmed this was relating to classroom space which he expected to continue going forwards.

6.2.4. Asked whether space shortages required a longer term view on infrastructure needs. JP explained that immediate action had been taken

to address the problem and that funding received would facilitate a longer term approach.

7. Reserves Policy

7.1. JP noted the following regarding the policy:

- 7.1.1. It explained why it was necessary to hold a minimum amount of reserves.
- 7.1.2. The amount of reserves proposed.
- 7.1.3. The way Group reserves would be monitored.

7.2. Governors:

- 7.2.1. Noted that the proposed reserve felt low in the current circumstances.
- 7.2.2. Asked whether there was provision for redundancies on closure. JP noted that this approach may be met with disapproval.
- 7.2.3. Queries whether the meaning of 'cash' and 'reserves' were being conflated.
- 7.2.4. Asked JP to consider the reserves level noting that reserves should be funds with no call upon them and to include early warning triggers to provoke action. JP was also asked to discuss this with the Group's auditors and bring the document back to the Committee's next meeting.

8. Contractor Procurement

8.1. JP noted:

- 8.1.1. That the Group wanted to engage with a main contractor via YORbuild 3 minor works procurement framework to progress the delivery of the Post 16 Construction hub at Castleford College
- 8.1.2. That he was seeking recommendation to the Board for approval to appoint through a quality-initiated call-off to increase cost certainty and reduce risk.

8.2. Governors:

- 8.2.1. Asked what the risks of the proposed approach were. JP explained it was not as rigorous in relation to the tender process but he believed independent checks mitigated this. Governors asked for the risks to be clearly explained to the Board at its next meeting.

- 8.2.2. Whether the approach adequately satisfied procurement laws. JP confirmed.
- 8.2.3. What the likely value of the procurement would be. JP confirmed the figure.
- 8.2.4. IT WAS RESOLVED TO recommend approval to the Board of the matters set out at minute 8.1.2 above.

9. Estates Update

9.1. JP noted the following:

- 9.1.1. The grant funding received for estates development and the ways in which this had been spent.
- 9.1.2. That the Castleford Construction Workshop project was awaiting planning approval and he reiterated the process set out at minute 8 above.
- 9.1.3. That the summer works programme had been successfully completed and focussed on a backlog of repairs, improving student experience and operational efficiency at each college.
- 9.1.4. The actions taken in compliance with the newly approved infrastructure strategy including the installation of photovoltaic panels and batteries to protect IT against power outages.
- 9.1.5. That the annual Building Operations Survey would soon be underway.
- 9.1.6. That the Group was looking to appoint property advisors to assist in the feasibility, costing and delivery of schemes of work identified in the Infrastructure Strategy.

9.2. Governors:

- 9.2.1. Asked whether it would be necessary to revamp the infrastructure strategy. JP confirmed this would be necessary following appointment of the property advisors.
- 9.2.2. Asked whether it would be necessary to record the proposed pause on the disposal of F-Block. JP declined and explained the new approach to the property. Governors were satisfied.

10. People Services Annual Report 2022/23

10.1. KS noted:

- 10.1.1. The service had been rebranded 'People Services'.

- 10.1.2. Considerable progress had been made throughout the year including the TUPE of staff from the Supporting Futures Selby subsidiary, a move to a single payroll across all sites, and a large-scale project to implement one Human Resources Management Information System (HRMIS) across all sites.
 - 10.1.3. That the report was structured to address the themes of the People and Culture Strategy.
 - 10.1.4. The number of starters and leavers and the high level of turnover which was, nevertheless, lower than the sector average.
 - 10.1.5. That staff absences appeared to be a concern but significant gaps in the data caused by the move to a single system meant that the data available was not yet reliable.
 - 10.1.6. The areas of staff dissatisfaction highlighted in staff surveys and other activities and their likely causes.
 - 10.1.7. Inclusivity statistics relating to ethnic origin, sex, disability and age and the gender pay gap which had slightly increased.
 - 10.1.8. That new leadership structures had been created.
 - 10.1.9. That a vast majority of staff believed that the development they undertook helped them to be more effective in their roles.
- 10.2. Governors:
- 10.2.1. Asked whether another staff survey was planned. KS confirmed. Governors requested an update at the next committee meeting.
 - 10.2.2. Asked for information regarding the cost of sickness. KS agreed to provide this as soon as possible.
 - 10.2.3. Asked for information regarding initiatives to keep people in post and the associated costs. KS agreed to provide this as soon as possible.
 - 10.2.4. Asked what the Group's ambition was in relation to the gender pay gap. KS and Jayne King agreed to speak regarding this matter. Governors asked KS to consider an ambitious approach to the issue and to report back.
 - 10.2.5. Asked whether there was a gap relating to a KPI around sexual orientation. KS agreed to consider and report back.
 - 10.2.6. Asked why the Group offered casual and zero-hour contracts. KS explained that, despite the negative connotations, these were generally with invigilators who wanted them for flexibility.

10.2.7. Asked for an update on the proposed pay award. KS confirmed that an award had been made which she hoped would avoid strike action. However, she noted that one Union had still not responded to the offer. She explained that she wanted to make payment in December but that this could not be imposed.

11. HR Update 2023/24

11.1. KS gave an update for the year, in particular, relating to updated KPIs against which to assess.

11.2. Governors:

11.2.1. Asked for timescales to be added.

11.2.2. Asked for details relating to absences short and long term and the themes relating to causes.

11.2.3. Suggested that the KPI relating to leadership should be linked to the related question in the staff survey and the results of the same.

11.2.4. Suggested that PDRs should have a target of 100% as all should undertake them.

11.2.5. KS agreed to recirculate the KPIs for approval at the next meeting.

12. Health and Safety Annual Report 2022/23

12.1. JP noted:

12.1.1. There was a focus on reporting near misses.

12.1.2. The Group's new online health and safety management system had been rolled out with some success.

12.1.3. The Group recorded no RIDDOR accident or major incidents during the year.

12.1.4. That an increase in first aid responses was recorded.

12.1.5. Improvements to Legionella testing and controllers were introduced.

12.1.6. That training and support activities were offered to staff to promote health and safety and wellbeing.

12.2. Governors:

12.2.1. Asked for assurance relating to the Group's compliance with legislation in the report to Board.

12.2.2. IT WAS RESOLVED THAT the report would be recommended to Board for approval subject to the addition of the information outlined at minute 12.2.1 above.

13. Health and Safety Update 2023/24

13.1. JP noted:

13.1.1. No RIDDOR incidents.

13.1.2. Near misses reporting numbers.

13.1.3. That no R.A.A.C had been found on site following a structural engineer survey.

13.2. Governors were satisfied with the report.

14. Committee Self-Assessment

The Clerk reminded Governors to return their self-assessment questionnaires which would help him to develop a plan for improvement.

15. Review of Terms of Reference

15.1. The Clerk outlined the changes made to the Committee's Terms of Reference.

15.2. Governors asked for the responsibilities of the Committee to be set out more clearly.

16. Review of effectiveness of the meeting and emerging risks

16.1. The Committee agreed that the Meeting had been effective and emerging risks had been considered during its course.

16.2. Governors asked that a deep dive session be held the following year in relation to the budget to ensure the document was ready to be recommended at this Committee.

The Chair noted that the next meeting of the Committee was to take place on 21 February 2024.



Signed..... Date 21.02.2024

Actions

No.	Minute	Details	Deadline	Responsibility
1.	5.2.1	Please see confidential minutes.	December Board meeting.	JP
2.	6.2.2	Governors asked when an updated forecast would be provided. JP confirmed this would be at the December Board meeting.	December Board meeting.	JP
3.	7.2.4	Governors asked JP to consider the reserves level noting that reserves should be funds with no call upon them and to include early warning triggers to provoke action. JP was also asked to discuss this with the Group's auditors and bring the document back to the Committee's next meeting.	The next Committee meeting.	JP
4.	8.2.4	IT WAS RESOLVED TO	December Board	JP

		recommend approval to the Board of the matters set out at minute 8.1.2 above.	meeting	
5.	10.2.1	Governors asked whether another staff survey was planned. KS confirmed. Governors requested an update at the next committee meeting.	The next Committee meeting.	KS
6.	10.2.2	Governors asked for information regarding the cost of sickness. KS agreed to provide this as soon as possible.	ASAP	KS
7.	10.2.3	Governors asked for information regarding initiatives to keep people in post and the associated costs. KS agreed to provide this as soon as possible.	ASAP	KS
8.	10.2.4	Governors asked what the Group's	ASAP	KS

		ambition was in relation to the gender pay gap. KS and Jayne King agreed to speak regarding this matter. Governors asked KS to consider an ambitious approach to the issue and to report back.		
9.	10.2.5	Governors asked whether there was a gap relating to a KPI around sexual orientation. KS agreed to consider and report back.	The next Committee meeting.	KS
10.	11.2.5	KS agreed to recirculate the KPIs for approval at the next meeting.	The next Committee meeting.	KS
11.	12.2.1	Asked for assurance relating to the Group's compliance with legislation in the report to Board.	December Board meeting.	JP
12.	12.2.2	IT WAS	December	JP

		RESOLVED THAT the report would be recommended to Board for approval subject to the addition of the information outlined at minute 12.2.1 above.	Board meeting.	
13.	15.2	Governors asked for the responsibilities of the Committee to be set out more clearly.	The next Committee meeting	Clerk
14.	16.2	Governors asked that a deep dive session be held the following year in relation to the budget to ensure the document was ready to be recommended at this Committee.	Prior to June Committee meeting.	JP