

Minutes of a meeting of the Resources, Integration and Change committee
held on Tuesday 28th September 2021

Present: Jim Webster (Chair)
Peter Boucher, Simon Cove, John Dernie, Carole Kitching, Rob Wheeler

With: Stephen Horrobin, Deputy Principal Finance and Resources
Tracy Scaife, Head of Governance

86. Apologies for absence – none received.

87. Disclosures of Interest – received from Rob Wheeler, as an employee of Nationwide who the college currently invests with.

88. Appointment of Chair and Vice-Chair of Resources, Integration and Change committee – nominations were received and duly seconded in respect of Jim Webster for the position of Chair and John Dernie for the position of Vice-Chair. No further nominations were received.

RESOLUTION: that Jim Webster be appointed as Chair and John Dernie be appointed as Vice-Chair of the Resources, Integration and Change committee until the first meeting of the 2022/23 academic year.

89. Minutes of the last meetings held on 23rd June and 19th July 2021 and matters arising – agreed as correct records.

Matters arising were raised as follows:

(a) 69 Management accounts: P9 – concerns were raised at the meeting held on 23rd June regarding the income/contribution from Partnerships and the committee asked for this to be shown separately in the management accounts going forward. The Deputy Principal Finance and Resources advised that management accounts for the new academic year would show Partnerships income/contribution separately within the SOCI (Statement of Comprehensive Income).

ACTION: SH to show income/contribution of Partnerships separately within the SOCI

90. Risk Management update – report by Deputy Principal Finance and Resources received and noted.

The meeting noted that currently 16-19 recruitment numbers are 450 below the 16-19 learner numbers target, meaning 250 below the 200 reduction budgeted for. This equates to a circa £2m loss in income. Due to the delayed funding mechanism this will affect the next academic year. An initial review of funding comparing 2020/21 with 2019/20 is very positive and if correct will materially alleviate the shortfall. The expectation of the impact on the bottom line is expected to be £100ks rather than millions.

The Treasury is telling every government department that they must cut their budgets/spend by 5%. It is not known where and how the cuts etc. will fall however there is often a tendency to freeze absolute values for students and to reduce AEB funds and bursaries. They could pick more on schools and HE, although HE tends to be more protected due to their relationship and influence with

governments. There has been some leaked news about student loans which could impact colleges as well as universities.

Concerns were raised regarding student recruitment, it would be interesting to understand where students have gone and why they have not chosen the college. The Principal advised that recruitment has varied in different subject areas, some have recruited over target while others are under target (public services, sport, humanities, A levels). A lot of students are staying on at their schools, teacher assessed grades have given some more opportunities and the increased number of school sixth forms have all had an impact. The college has also lost students to Cirencester College, particularly with A levels. Intelligence has been gained from other colleges both locally and outside of the area and the AoC will provide data on enrolments at some point. The suggestion is that 25% of colleges have recruited over their target, while 75% are at or under target. The loss for New College Swindon equates to 12%. The budgeting exercise allowed for a loss of 200 but the actual currently stands at a shortfall of 450 (250 more than expected) It was asked if we should be looking more at why the college has not recruited as expected, particularly as numbers for the IoT are also lower than target. HE numbers are OK but it has not done stunningly well. Recruitment is still ongoing and an Open Day is planned for 9th October. There is thought to be still quite a bit of movement in the market, the current figure for NEETS (Not in employment, education of training) in Swindon is 18%. An external review of marketing plans/activities has been agreed in order to review the effectiveness of the function and to seek opportunities to improve our messaging.

With regard to the IoT, it was noted that other IoTs are meeting or exceeding their targets. It was suggested that the college IoT is a little way off where it needs to be and has been slower than others in getting the project up and running. The lack of building for the IoT has exacerbated the failure to recruit with only a fly-through to show potential students.

It was suggested that the college needs to act now to face these problems, it is important not to go into a denial phase. The college has to be smart and do things to make the biggest impact. One suggestion, to keep the IoT separate from the main college in order to water down the impact. The college needs to be clear about what it is offering – and not offering, rather than trying to provide such a large range of courses. It needs to be clear on its business and use that as a branding opportunity rather than trying to cover an enormous curriculum offer. It needs to position itself in the market and accept that it will lose in some areas. Finances are well managed and the college is in a good financial position. Some areas, such as animal management have seen a huge growth this year with numbers almost doubled.

It is intended to get the external review started within the next 3-4 weeks. Noted that it is easy to blame the marketing department for the low recruitment but they can only market what they are provided with, it is not their place to come up with strategy. There needs to be a clear message to staff that it is in their interest to recruit. The curriculum offer and curriculum planning must not be a spreadsheet exercise. Processes for enrolments need reviewing, some are weak and need to be improved, they can also be long-winded and are not as user friendly or customer focussed as we think we are.

With regard to retention, 68 -70% of those applying are still attending the college after 5 weeks. Students often make multiple applications and try each one out before deciding. Need to look at stickiness and how this can be improved.

It was discussed and agreed that an action plan to address these issues be in place by January 2022.

ACTION: CK to share progress to next meeting.

91. Insurance update – report by Deputy Principal Finance and Resources received and noted.

It was noted that the college does have insurance cover for cyber-attack. This has been taken out FE Protect. A new system – MFA - is being introduced for college users of Microsoft 365 which will increase security. Management liability is covered separately from governors.

The substantial cost saving of the current premium compared to the previous year was noted and the team congratulated.

92. FHP software implementation update – report by Deputy Principal Finance and Resources and IT Project Co-ordinator received and noted.

It was noted that the college committed earlier in the day to a new cost/expense mapping exercise. In conjunction with this changes to delegated authority for budget holders A and B are proposed. The amounts of these were noted. Project risks were noted. The number of people at the North Star campus who are in the process of leaving has caused some problems with the implementation of the project. The Deputy Principal Finance and Resources gave the meeting details of the staff losses.

It was suggested that the college had relatively simple accounting reporting and it was asked if this is still appropriate for the college given the size that it now is. The Deputy Principal Finance and Resources advised that there are a lot of accounting processes that don't come before governors. It was noted that there is no change on the budget position for the project and that only small additional costs are anticipated (less than £10k).

93. Institute of Technology (IoT) update – report by Deputy Principal Finance and Resources and IoT Project Manager received and noted.

It was noted that the project is way behind time-wise but financially the project still has a significant contingency. The impact of delays to the building on recruitment and delivery were noted. Contingencies have been put in place. The biggest impact has been on engineering but the issues surrounding this have now been resolved. All other programmes have been rehoused in suitable accommodation. There have been issues around marketing as it has not been possible to access the building. Concerns were raised about over-marketing the IoT when the building is not ready and it was suggested that it might be better to re-brand the current year as a pilot. The Deputy Principal Finance and Resources stated that he thinks that a March completion date is risky. The IOT sub group have talked a lot about the building and the impact on students and it has been very clear in advising students that it's not the finished article. The replacement windows are now installed in the Pegasus building and a number of other major issues been resolved. Concerns were raised regarding the offer of hybrid learning and it was suggested that some remote experiences had not been great, technology been part of problem.

94. Resources, Integration and Change committee cycle of business 2021/22 – received and agreed.

With regard to management accounts, the committee agreed that they would like more regular sight of these and asked if it would be possible to have each period sent to them when they are available. The Deputy Principal Finance and Resources advised that there were 9 accounting periods throughout the year and that these could be forwarded to governors as and when available.

A question was also raised with regard to insolvency reporting and this will be included within the management accounts.

ACTION: *SH to forward all management accounts as soon as available to the RIC committee.*

95. Any other business – none raised.

96. Date of next meeting – Tuesday 30th November 2021 at 4.00pm

97. Confidential minutes of meeting held 23rd June 2021 – confidential minutes refer.

98. Annual Report and draft Financial Statements year ended 31st July 2021 – confidential minutes refer.

99. Integration update presentation (including people and organisation, course integration/innovation, marketing of the college, operational/systems) – confidential minutes refer.

100. Savings Plan – confidential minutes refer.