

Chair	Irfan Umarji
Corporation Members	Danny Ridgeway, Femi Olatidoye, Joanne Roxburgh, Lloyd Johnson, Paul Jackson, Paul Stephen (Principal), Sarah Thomas
In Attendance	Deputy CEO: Jamie Purser Chief Operating Officer: Judith Abbott Architect Director, 10architect: Alan Simpson (Agenda item 5 only)
Clerk to the Corporation	Judith Nelson

Item No	Item of business
PRELIMINARY PROCEDURAL MATTERS	
1.	Chair's Welcome & Opening Remarks The Chair welcomed and thanked all for their attendance.
2.	Apologies For Absence <ul style="list-style-type: none"> ▪ Danny Ridgeway
3.	Declaration of Interests None.
4.	a. Minutes of the Last Meeting held on 05 July 2023 Approved. b. Matters Arising and Action Points from the Meeting All matters were covered during the meeting.
ITEMS FOR CHALLENGE, MONITORING & REVIEW	
5.	a. Vision Strategy Report – East Ham Campus Alan Simpson, architects, appointed by the College, facilitated a lengthy discussion, and presented options which would enable the College to progress with the estates strategy, to improve efficiencies in line with the strategic plan and curriculum strategy vision. The presentation focused on the process for determining the estates needs and priorities at East Ham campus, in particular a requirement to create more student and specialist class space for next year. This is clear from both from the level of applications to date for courses next year and the architects (guided learning hours analysis). More students will create additional pressure on break out areas/resources which are currently unfunded. b. Estates Strategy Update Noteworthy points: <ul style="list-style-type: none"> ▪ The capacity to refurbish the Hair and Beauty department (which was fitted out circa 20 years ago and is looking very worn and unattractive) if cash resources permit this to be undertaken alongside creating more classrooms. The least disruptive and most cost-effective time to do this is between February – March 2024 when the fourth floor windows are being replaced. Cash capacity may be dependent on the outcome of conversations with the DfE regarding Y Block grant draw-down. ▪ The Executive is undertaking strategic scenario planning at pace to identify priority capital projects and will be seeking approval from this committee over the coming weeks. ▪ Ongoing projects are: <ul style="list-style-type: none"> ○ Public Sector Decarbonisation Scheme Phase 3 - Air Source Heat Pumps for Stratford A and YPA Blocks: this project is almost complete.

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	<ul style="list-style-type: none"> ○ FE Capital Transformation Fund (FECTF) – East Ham Estate upgrade (includes window replacement in main block, cavity wall insulation, roof recovery, some WC refurbishments, BMS installation) – the project is entering into its final stages, with second floor window installation due for completion by 29 January and the fourth and final floor to then commence with a completion date of 29 March. ○ FE Capital Transformation Fund (FECTF) – Stratford Y Block Replacement. The College is currently awaiting discharge of conditions for the demolition management plan which based on statutory timeframes could take the London Borough of Newham until 8 February. The Practical Completion date is forecast as end-June 2025. <p>It should be noted the Finance & Resources committee, resolved to approve the following by email on 2 February 2024:</p> <ul style="list-style-type: none"> ▪ Approval to a £457k modernisation of the non-salon areas of the 4th floor at East Ham Campus. This will pay for two new IT suites, the conversion of a Boardroom into a new classroom, creation of two other large rooms out of storage cupboards, and a general face lift across our worst quality remaining floor. Executive are holding fire on the refurbishment of hair and beauty suites as these would double the budget and adversely impact student programmes between now and the end of the year. The reason for the out-of committee request is to commission the works now, they can be undertaken at the same time as the 4th floor has its windows replaced. Savings on prelims worth c£60k compared to doing the projects sequentially – equivalent to the price of refurbishing two toilet blocks.
6.	<p>Management Accounts - December 2024</p> <p>The COO made the Committee aware of the following pertinent points: Noteworthy points:</p> <ul style="list-style-type: none"> i. A YTD EBITDA deficit of £(396)k which is -8.7% of income; £630k better than YTD budget and £611k better than prior year. ii. Operating Income year to date is £12.4m which is £0.5m better than budget and £1.1m better than prior year. This is primarily due to favourable timing differences on delivery of the Adult Education Budget (£341k) together with an increase in the ESFA 16-19 funding rate after the budget was set (£277k) partially offset by a reduction in Adult Learner Loans (-£148) as more courses are being fully funded. This does not include £198k final endowment from Newtec which is included in the bottom-line outturn but is not operating income. iii. As at R05, 16-18 funded learner number was 1,999 (down from 2,079 at R03) compared with a funding allocation of 1,934. This increase will be reflected in our funding allocation for next year. iv. There were 250 High Needs learners on the ILR at R03 versus an allocation of 200. The London Borough of Newham have agreed in principle (no contract yet signed) to fund the additional 50 learners this year and to submit a business case to the ESFA for growth in numbers for next year, from 200 to 220. If approved, this would guarantee element 2 funding (£6k) for 220 learners next year. v. Cash balance at end-December is £10.9m and 120 cash days. This is £1.1m better than budget primarily due to favourable timing differences on capital expenditures together with receipt in December of £198k final endowment from Newtec. vi. Staff costs YTD are £8,274k which is £76k better than budget (£717k worse than same time last year) and 66.9% of income generated by those staff, which is lower than YTD budget due to timing differences on income delivery. Staff costs include a 6.5% pay increase backdated to September and circa 10% increase for staff on the London Living Wage with effect from November. vii. Non pay costs are £4,550k YTD, which is £41k worse than YTD budget and £207k better than same time last year. The year-on-year improvement is primarily due to termination of 16-19 subcontracting arrangements with A1 Sports. viii. YTD utilities costs of £669k are £53k worse than budget although this is considered to reflect inaccurate budget phasing. ix. Majority of the estates capital projects undertaken over the summer are now complete with only the two FE Capital Transformation Fund projects (East Ham windows replacement and Stratford Y Block replacement) ongoing with substantial work remaining.
7.	<p>College KPIs – Finance & Resources</p> <p>Governors were made aware of the main areas of uncertainty on the capital projects (accountability agreement KPI 7) as follows:</p>

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	<ul style="list-style-type: none"> ▪ Y Block replacement (main contractor Thomas Sinden Ltd appointed - tender quote within sum identified at Stage 4 costings; delays in discharging planning conditions requiring a S106 agreement have delayed demolition with a knock-on impact on overall programme timing. The College is meeting with DfE this month to discuss implications for grant drawdown) ▪ IoT final account which is contingent on two capital elements controlled by QMUL: the release of a retention relating to services meeting the specification; and progress of a damages claim. The cost of the former is reflected in the cost plan; the latter will be upside. Woodhouse challenged the statutory adjudication process and were awarded an extra £8k, so the greatest area of financial risk has now been fully mitigated. <p>Governors commended the CEO and the team involved in fully mitigating and bringing the statutory adjudication process to successful conclusion.</p> <p>Governors were interested in how the College is measuring what that success looks like, this needs to be considered as part of the people strategy.</p>
8.	<p>People Update</p> <p>Governors noted current activities underway in strengthening HR capacity and developing building blocks in a People Strategy which will be presented to the Board for endorsement in July.</p> <p>Noting the key challenges as follows:</p> <ul style="list-style-type: none"> ▪ To improve rapidly core HR systems, processes, and systems ▪ Build the level of FE literacy across the organisation; and to address the 20% of “disengaged stayers”. The CEO is leading a task and finish group to create and evidence a coherent response to the main themes emerging from the IIP report: ▪ iTrent project is behind schedule on the data migration from the current HR system SfP to iTrent. The HR Director is exploring a fallback plan, which is that the owners of SfP would process the payroll on their new system if the migration is not completed on time. ▪ There will fine tuning of the PDR process over the course of this term, including to some of the evaluation criteria. ▪ The Deputy CEO has led a task and finish group to reset the College calendar for 2024/25, to start and finish later and to build in more staff development activities, comprising of mandatory training, pedagogy and practice, well-being, workforce digital literacy and celebration.
9.	<p>Review of Marketing Activity 2023</p> <p>Governors commended the marketing activity report and asked for their appreciation to be passed onto the Marketing Director and the team.</p>
10.	<p>Meeting Schedule for 2023-2024 @ 4:30pm via Microsoft Teams</p> <ul style="list-style-type: none"> ▪ 06 March 2024 ▪ 03 July 2024