

Heart of Yorkshire Education Group Corporation ('Corporation')

Board of Governors ('Group Board')

Finance, People and Resources Committee ('Committee')

Minutes of the Meeting held on 18 June 2024 ('Meeting')

Present: Michael Clarke (MS Teams), Claire Corneille, Tony Jackson (MS Teams) Andrew McConnell and Neil Warren ('Chair')

Head of Governance and Legal Services ('Clerk')

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

Apologies: None

1. Welcome and apologies for absence

The Meeting commenced with the Chair welcoming all attendees, noting that due notice for the Meeting had been given and that the Meeting was quorate with no apologies having been received. The Chair noted that Jayne King had left the Committee to join the Audit Committee, and he thanked her for her contributions.

2. Declarations of interest

Tony Jackson declared a potential conflict regarding the pay proposal item due to his role as a staff member. The Committee agreed he could remain in the room but that he must abstain from discussions or voting on this item.

3. Minutes of the meeting held on 21 February 2024

Members confirmed the minutes were an accurate record with minor amendments and IT WAS RESOLVED THAT the minutes be approved subject to the implementation of these corrections.

4. Matters arising

- 4.1. On matter arising one – Sickness Absence Costing: Updates on progress in tracking the cost impact of sickness absences were discussed. KS proposed future KPIs relating to this once sufficient data had been collected.
- 4.2. On matter arising four – Ethnicity and Disability Data: Efforts were being made to comply with regulatory expectations and there had been improvement on data completeness with ethnicity and disability data unavailable down to 21% from 44% in January 2024. Members stressed the importance of continuing this work and reporting back to the Committee.
- 4.3. On matter arising five – Health and Safety Concerns: The Legionella issue at the Jubilee building was scheduled for resolution by September 2024.
- 4.4. On matter arising six – Financial Position Queries: Members discussed financial outcomes if funding allocations for construction projects had aligned with projected timelines. It was noted that cash levels were stronger than forecast due to the delay.
- 4.5. On matter arising seven – Estates Schedule. Members asked for an Estates Schedule of activity to be made available. JP agreed to action this.
- 4.6. On matter arising eight – Late Completion of the Castleford Construction Workshop. JP agreed to provide an update on the risk of late completion of the Castleford Construction Workshop.
- 4.7. On matter arising nine – Reserves Policy. It was agreed that the Reserves Policy would be recirculated to the Committee following some minor amendments before being presented to the Board for approval.

5. People Update 2023/24

- 5.1. Members noted a reported decrease in turnover which KS attributed to a settling of the labour market although she noted that improved induction and other HR initiatives may have had an impact.

- 5.2. The Committee emphasised the importance of obtaining data on reasons for departures to refine retention strategies.
- 5.3. Significantly improved staff survey participation was acknowledged but members inquired about departmental variations in survey response rates and emphasised the importance of further analysis of specific departmental engagement needs. KS confirmed that this would be undertaken. Members asked what had driven the improvements. KS pointed to manager engagement.
- 5.4. Members noted that mental health had been cited as a primary cause of absence and asked whether this was still the case and for the Group's response to the resurgence of COVID-19. KS noted the main reason was minor illness which she suspected might include cases of COVID-19 but that mental health issues were significant.
- 5.5. Members noted that a new health and wellbeing network had been introduced and requested further information on membership and representation as well as its connection with other staff groups. The Group Executive Director noted that membership was made up of staff and students, but that further work needed to be done to improve synergy with other groups.
- 5.6. A new program for leadership support and engagement had been introduced to foster staff development and satisfaction.
- 5.7. Members asked when the professional development targets were expected to be met. KS noted that CPD was due to have been completed. However, many staff had yet to submit the relevant evidence. She noted that there would be a push to secure the forms.

6. Pay Proposal

- 6.1. KS reported progress on discussions with unions regarding a new pay structure. Although an agreement was close, ongoing negotiations continued with unions to refine the proposal.
- 6.2. Members asked how the pay and grading programme had been received by staff. KS noted that this had been generally positive.
- 6.3. Members also wanted to know whether the new pay structure was affordable. KS explained that it was, presently. However, above inflation real living wage increases may require further consideration in future.

6.4. The Committee noted the potential benefits to recruitment and retention and IT WAS RESOLVED TO agree to recommend the pay proposal to the Board, subject to final adjustments.

7. Draft Budget and Financial Plan

7.1. JP:

- 7.1.1. Noted that the Draft Budget had been reviewed by a 'deep dive' group prior to the Meeting.
- 7.1.2. Outlined a positive position income, noting substantial ESFA funding due to increased student numbers and increases in pension grants. However, members noted concerns including reduced HE enrolment and challenges in Apprenticeship funding.
- 7.1.3. Explained that staffing costs were above the sector benchmark, but the Group was not unusual in this regard.
- 7.1.4. Explained that the Group remained at the high end of the 'good' financial health rating.
- 7.1.5. Members noted that no debt and robust cash generation were positive indicators. IT WAS RESOLVED THAT the draft budget and financial plan be recommended for Board approval.

8. Finance Report 2023/24

8.1. JP:

- 8.1.1. Noted that a lower than anticipated deficit was projected, attributed to effective cost management.
- 8.1.2. Noted that the Group was on track to hit all targets except its target relating to staffing costs.
- 8.1.3. Explained that the Group had a healthy cash position although he noted there would be significant spending on capital projects during 2024/25.

9. Estates Update

9.1. JP:

- 9.1.1. Gave updates on major projects, including the Catering Block and Radcliffe Level 4 (each of which had been approved by Chair's action) and the Castleford Construction Workshop for which he outlined the tender process and projected costs.
 - 9.1.2. Projects for future development, such as solar panel installation, were also discussed.
- 9.2. Members requested a comprehensive list of capital projects.
- 9.3. It was agreed to review long-term campus space planning as demand continued to grow and members asked for consideration to be given to the Estates Strategy which should be scheduled for Committee and Board review as appropriate.

10. Health and Safety Update

10.1. JP:

- 10.1.1. Outlined incident reporting and risk assessment statistics. The Committee reviewed the data which showed increased awareness and response to health and safety incidents, particularly in areas such as first aid and mental health emergencies.
 - 10.1.2. Noted new partnerships with local fire departments and water management providers as part of a comprehensive approach to safety.
- 10.2. Members asked whether, given the number of risk assessments which had been undertaken, there were systems to prevent duplication. JP explained that duplication was not a concern but that there were 'cold spots' which were being addressed by newly appointed managers.
- 10.3. Members asked for a simple statement of 100% statutory compliance in papers going forwards.

11.FE Tuition Fees Policy and HE Tuition Fees

11.1. JP:

- 11.1.1. Explained that the Group had decided to relinquish its international tuition

license, concentrating resources on local and regional students.

11.1.2. Proposed increases for HE tuition fees, positioning fees competitively within the region while remaining one of the more affordable options.

11.2. IT WAS RESOLVED THAT the FE Tuition Fees Policy and HE Tuition Fees be recommended for Board approval.

12. Review of effectiveness of the meeting and emerging risks

12.1. Members expressed satisfaction with the thoroughness of documentation and discussions. Emphasis was placed on incorporating KPIs and emerging metrics into future sessions.

12.2. Key emerging risks relating to budgetary changes, particularly in income sources for HE and apprenticeships, were to be flagged for Board review.

12.3. The Chair noted that the next meeting of the Committee was to take place on 27 November 2024.



Signed..... Date 27.11.2024

Actions

No.	Minute	Details	Deadline	Responsibility
1	4.1	Re sickness absence costing: KS proposed future KPIs relating to this data once sufficient data had been collected.	The next meeting	Group Executive Director of People
2	4.2	Re ethnicity and disability data collection: Members stressed the importance of continuing this work and reporting back to the Committee.	The next meeting	Group Executive Director of People
3	4.3	The Legionella issue at the Jubilee building was scheduled for resolution by September 2024. Feedback to be provided.	The next meeting	The Group Executive Director of Finance and Resources
4	4.5	Estates Schedule. Members asked for an Estates Schedule of activity to be	The next meeting	The Group Executive Director of Finance and Resources

		made available. JP agreed to action this.		
5	4.6	JP agreed to provide an update on the risk of late completion of the Castleford Construction Workshop.	The next meeting	The Group Executive Director of Finance and Resources
6	4.7	It was agreed that the Reserves Policy would be recirculated to the Committee following some minor amendments before being presented to the Board for approval.	The next meeting	The Group Executive Director of Finance and Resources
9	9.2	Members requested a comprehensive list of capital projects.	The next meeting	The Group Executive Director of Finance and Resources
10	9.3	Members asked for consideration to be given to the Estates Strategy which should be scheduled for committee and Board review as	ASAP	The Group Executive Director of Finance and Resources

		appropriate.		
11	10.3	Members asked for a simple statement of 100% statutory compliance in papers going forwards.	The next meeting	The Group Executive Director of Finance and Resources
12	12.2	Key emerging risks relating to budgetary changes, particularly in income sources for HE and apprenticeships, were to be flagged for Board review.	The Board meeting of 2 July 2024	The Group Executive Director of Finance and Resources