



## BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

### MINUTES OF THE MEETING OF THE CORPORATION'S RESOURCES COMMITTEE HELD ON TUESDAY 14th MARCH 2023 AT 6.00 P.M.

#### IN ROOM 20, MAIN BUILDING

**Present:** William Baldwin (Principal), Chris Newson (Governor), Marcus Palmer (Governor and Chair of Resources), Jo Usher (Support Staff Governor)

**In attendance:** Jutta Knapp (Assistant Principal), Sarah Connerty (interim governance advisor), Livvy Birney (HR Manager) – until the end of item 2.1), Jacque Punter (Assistant Principal)

#### 1.1 Apologies and Welcomes

Apologies received from Sandra Prail, Mike McLean and Louise Pennington. In the absence of Louise Pennington Sarah Connerty, interim governance advisor acted as clerk.

#### 1.2 Minutes of the last Meeting held on 21st November 2022

The minutes were approved and signed as a correct record of the meeting.

#### 1.3 Matters Arising

It was agreed that matters arising detailed in the action log were included on the agenda, in progress or closed.

#### 1.4 Declaration of Interests

There were no declarations received.

#### 1.5 Principal's Update including Accountability Agreement

This is the first update since the **Ofsted** result. The College is very pleased with the outcome.

There was an SLT strategy day on the 5 January 2023 which highlighted **budget issues** for 2023-24 and it was agreed that savings couldn't be achieved without structural adjustment. There has been a decision to increase the cap on class sizes from 22 to 24, the interim measure may be 23 next year dependent on business sense. It has been a collegiate review with staff who agree this seems the only rational decision but there are concerns about quality and it will be closely monitored. There is a lot of lobbying in the sector around funding for colleges as it is almost impossible to plan a budget in this environment.

**Industrial action** is ongoing with the next action taking place tomorrow and Thursday. This has a catastrophic impact on teaching and learning with around 100 staff involved. The impact on students will be monitored closely by SLT.

**Pay award** - The National Joint Council have agreed that the 5% pay award is implemented. It has not been formally accepted but allows staff who really need the increase for cost of living to access the money while negotiations are ongoing. This has been very welcomed by staff. HR have been doing a lot of research into benefits for staff outside of College to support with cost of living rises and this is appreciated.

**Additional funding for 40 guided learning hours** - this is bedding in very well and Ofsted were very happy with the work being done. It has been a big job to introduce and enhances the students study programmes.

Firm guidelines for withdrawing **BTECs** have been announced. This impacts on 10% of study programmes at the College. There is a lot of national lobbying around this as it takes away the emersion experience that BTECs offer and the DfE are pausing four out of six T Levels because they are not ready to be rolled out.

**BHASVIC's Accountability Agreement** is now live. This is a new document that came to committee last time and charts our involvement in helping to meet local skills needs which is now a condition of funding.

**An Assistant Principal for Digital and Comms** has been appointed. Their experience from a previous role will allow the College to maintain momentum in this area.

BHASVIC and FE Sussex have won a **Beacon award** for education in sustainable development.

**The ladies football team** are through to the national cup final on the 4 May which is the third time in six years they have made the final.

The Committee passed on thanks for the update and congratulated the College on some excellent results.

## **2.1 Termly Update on HR and Related Matters**

**Holiday pay** – the government are consulting on the Supreme Court ruling to go back to a percentage method for holiday pay. It would be a simpler and fairer method of calculating and much more equitable between part and full time staff. There are a couple of complexities from a small number of staff with some financial implications. In the management accounts the changes are covered. HR are awaiting the outcome of the consultation. The Committee thanked HR for the huge amount of work that has been done around this area.

**Industrial action** – on the 2 February 2023 86 staff members were on strike. For the previous two strikes there were 96 staff members on strike. There are a further two strikes tomorrow and Thursday and there is currently a ballot out for further strike action.

**Recruitment** – it is getting progressively harder to recruit to some roles. There have been limited applications and there are gaps in certain curriculum areas. The timetabling and teacher contracts are more complicated because of the increase in class sizes. A talent pool has been put onto the website. One of the difficult roles for recruitment is evening cleaners. This has been put out to students with 80 expressions of interest, 50 applicants and 5 have been selected following an application process with points for experience and availability. Working for us pages have been improved and have had positive results, especially from parents.

### **Gender Pay Gap Analysis and Report (deferred from Autumn Term 2022)**

Both the mean (0.5%) and median (over 10% for support staff) have both increased. This is mainly due to an increase in male management positions in support staff which is positive as this was an underrepresented area previously.

The previous year's format has been followed in the reporting. Next year the data will be split up more to provide a more realistic picture.

**ACTION:** A shorter version will be added to the website at the end of the month and it was agreed that the graph is not representative and a commentary will be included for a more accurate representation- Livvy Birney

### **National pay negotiations (update)**

This was covered earlier in the agenda. Support staff have settled for 5% with a reopening clause. Teaching staff negotiations are ongoing with a request for 11%. The actual pay offer is already included in the management accounts. The budget for next year includes 4% across all staff, this was

budgeted by looking at the wider SFC sector. Income will go up 2.2%. There was a discussion about affordability and funding and a sympathy for staff around the current environment.

[18.33 Livvy Birney departs]

### 3.1 - Management Accounts for 6 Months to 31st Jan 2023

Jutta Knapp reported that the accounts are tricky because there are some uncertainties in the budget. All the knowns are included. The accounts assume one more increase in bank rates for this year, the pay offer of 5% and the proposed SPH salary scales as considered and recommended by the Remuneration Committee subject to confirmation of affordability from the Resources Committee. It was noted that the revised energy prices are included, confirmation that vacant posts are frozen and that all staff are aware to be very careful in year with budgets.

The College is complying with its bank covenants and although it is not meeting all of its financial targets there are no issues with Going Concern and the College is currently coming in on budget.

The Committee asked for an update on energy costs. The electricity fixed contract is up at end of March 2023 and the College has just signed up to a new one until July which is significantly higher but has gone down over the last month. A two-year deal now is confirmed until March 2025. Gas prices are fixed until 2024 and an indicator for the following year has been provided.

### 3.2 - DRAFT Budget 2023-24

Jutta Knapp noted that this is early timing for a budget and numbers are not yet confirmed. This is a working document and may change significantly by June 2023. The main assumptions are included on the assumptions page at the back of the document. It does show that there are no margins. Sensitivities were discussed at the last meeting and it is clear that there are real sensitivities to any cost. Student applications, enrolment projections, teaching numbers, class sizes and budget processes can be moved around to give additional capacity and revenue and it is about trying to refine this to get some in year funded students. SLT is tracking almost daily and there are dials to move around. In the June 2023 budget there will be a risk analysis included. There is a figure included for in year growth of students, the current funding formula means that the first 100 students are not funded which amounts to almost £500k. The College has to grow because it is the only way forward in terms of capital and reputation. It is a fine balancing act.

The College wants to put up new buildings to grow and there needs to be certainty around how to plan. The DfE underspend is expected to be £400m and there is a lobby to distribute to Schools/Colleges rather than take it back to Treasury which the SLT will monitor.

Interest charges are on a base rate of 4.5%. Only the £1.5m loan is variable, the others are fixed until 2025.

The Committee asked what the black hole in the budget was before the class size increase and the Principal confirmed it was around £200k. The Committee asked how many additional students would be realised with the class size increases and the Principal confirmed it would be around 140. In addition, there is a slow burn on the staff cost efficiencies of around £150k by year 2 and year on year fewer sets will be needed. The Committee asked about demographics and it was confirmed that these are on the up for the next five years.

The key question for SLT is how to accommodate additional students. This can be done by looking at the timetable and different ways of working. There may be an offsite solution. There are two grants in the pipeline. The post 16 capacity grant which will be announced in the spring which requires the building to be completed by September 2024. There are good architects and a local contractor in place but it is still an unrealistic deadline.

The Committee asked if there are office spaces for rental such as the TA building. The Principal noted that these options are being looked at for overflow space. **ACTION:** Brighton Girls prep school would be an option with a 15 minutes transition time. Jutta Knapp noted that it would be difficult to operate on a split site for sixth form but it was agreed to look at all options and the Principal agreed to look into.

There was a discussion about sensitivities analysis. Costs would be around £150k for each percentage point for pay awards. Options include local bargaining, withdrawing from the national scheme for affordability grounds, changing the back date for pay awards to avoid the College having to move into restructuring and efficiency territory if remaining with national pay scales. There are still a few dials to look at and SLT will relook at thinking from last year. A lot comes down to making fewer people do more which is difficult for staff.

The Committee asked if College licences are monitored closely. The Microsoft licence has been renegotiated and although there has been a price increase it is not disproportionate. The Finance team recently sent out budget lines and these have been reflected back and there is nothing unexpected included.

It was agreed that there has been a granular look at spend but it is the big picture items that are out of SLT's hands and are difficult to influence.

**ACTION:** It was agreed to include an affordability sentence in the budget – Jutta Knapp

### **3.3 – Premises update**

Jutta Knapp reported the College is currently waiting for bids for the capital project. There is a meeting with the architect next week who will provide a high level timeline and indicative costs to take to planning. To get to planning stage will be around £80k. There is a £480k capital grant from ONS reclassification which allows colleges two years to spend. The timeline is to instruct a limited design team to get to a Stage 2 design period, go out to consultation in April 2023, and submit a planning submission by 15 May 2023 with an expected planning decision by August 2023. A pre-app meeting has taken place with the local authority who were supportive of the project and have suggested that it would be a minor planning application as it is a replacement building. This would involve less work and allow the building to progress to the build stage in September 2023. There is an element of risk to go forward to planning without a decision on the grants but the planning will be valid for three years. A local firm will be used for the contracting.

The modular buildings will be moved to the rugby pitches when the build commences.

The current plan is to accommodate some of the classrooms and all student services, careers, ALS and the library. Student study space will be increased, three additional classrooms will be created and it will give fit for purpose accommodation and finishes to the site which will be landscaped. The Committee questioned with the current financial pressures on colleges whether it was sufficient to increase student numbers by 120 at a cost of £9m and if there is a different configuration to take. The Principal explained that there is a need to think about the demographics and student demand and the student experience. The College is already pushing 3500 students and is that the right fit. Within the footprint there is a limited build size but there is the opportunity to rationalise the space. The build is not on a blank campus and there is a necessity to replace what there is there is but not the space to increase much more. The Committee asked if the £9m could be utilised better on an offsite building and replace the porta cabins when there is a kinder economic environment. The Principal proposed that these questions are taken through the Premises Committee and the Corporation who will consider and approve the capital plan. There needs to be more detail before governors are in a position to make informed decisions.

The Committee asked when the demographics come back down and the Principal noted it would be five years and the aim is to create flexible spaces to work with changes in student numbers. This will be discussed in detail at the Premises Committee in due course.

### **3.4 - Termly Digital Update**

#### **a) College Digital Development Plan**

Jacque Punter noted that the report details progress made since the last meeting. The College has invested in a new portal which is looking very good and will extend to the admissions module in September. There will be a soft launch of Bring Your Own Device (BYOD) in September and the team are currently pricing up the basic infrastructure to loan devices to students. There is a lot of training going on with students and staff. In terms of infrastructure the team is moving through a

rolling replacement programme. It has recently looked at the College's Wi-Fi which has good coverage and will not need a large investment.

#### **b) Cyber Security Update on Actions**

Jacque Punter reported that there is an ongoing risk assessment. The team is focusing on remediation to the external audit for review in the summer. The update report details what has been achieved so far and what is ongoing. The aim is to complete all recommendations by the summer. The biggest challenges are lack of expertise in the team, the huge amount of monitoring required and the associated costs. Some team solutions are being looked at but they are very expensive.

The Committee asked what the exposed areas are. Patching is a big issue which has been neglected and appropriate software wasn't in place. It is now in place and servers are fully patched and maintained. Devices are a big issue as there are many mobile devices for students for multi-use and staff devices. The Microsoft licences are being purchased to bring this in line. It is getting safer with every step. Preventative measures and team education are being put in place. It is an iterative process.

The Committee noted that the majority of the actions are currently red or amber. The Principal explained that the aim is to get everything to amber. It requires a long-term investment plan and expertise in cyber security to move forward to green.

Jacque Punter reported that the College had tried to recruit someone with cyber expertise and the Committee asked if this is a good investment or is the preference for external monitoring and consultancy. The Committee suggested looking at Multiverse who provide apprenticeships and digital skills training. **ACTION – Jacque Punter to look at Multiverse<sup>1</sup>**

The Committee agreed that the risks are known and they are being dealt with in order of priority. Quantifiably the College will need to spend money and reducing the risk is key. It was agreed that progress has moved on significantly in the last two years.

#### **c) Communications Strategy 2023-26 (Addendum to Digital Strategy)**

This has been produced by the Comms Manager. It is the vision for a way forward and there is clear direction. The Comms Manager is working with the Marketing Department and Admissions on a one-year plan of action and KPIs are being established. The aim is to rationalise internal comms.

The Committee agreed that it is a really good starting point and that it is good to see the plan is getting a lot of thought and discipline. The Principal noted that comms was not included in the Digital Strategy because it needed work and it is positive to see it moving forward as an addendum to the strategy. The Committee asked about governor involvement in the strategy and the Principal a governor with comms expertise liaising with the Comms manager.

d) The Committee noted the **Admissions Strategy 2022-23**

e) The Committee noted the **Marketing Social Media Strategy 2022-23**

### **3.5 - Sustainability Update**

The Principal reported that action plans are in place. The work addresses the key elements around sustainability. A link governor for sustainability is in role and met with the Principal and meetings will take place twice a year to check in and receive updates on sustainability. It was agreed that continuing to focus on planning and tracking progress, and how to truly embed sustainability in the College is key. The next steps are the heat pump feasibility study, recalculating the carbon footprint and the programme towards a net zero target of 2030.

### **3.6 - Risk Assurance**

This is the usual termly report and includes updates on high scoring risks from the register that are under the Committee's remit. The risk register was recently reviewed by the SLT. The Committee is asked to review if any risks are missing, is the risk rating appropriate and is the Committee getting the

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<sup>1</sup> <https://www.multiverse.io/en-GB>

right assurance on the mitigations of the risks. It was noted that there can be a tendency not to give the time or focus on this area of the agenda. The Principal assured the Committee that there is a good handle on risk by the SLT, Audit Committee look very closely at the risk register and SLT are looking to redesign the risk policy this summer to narrow down the number of risks governors review to crystallize what Committees are looking at. It was agreed that the main risks delegated to the Committee are included in the agenda.

#### **4.0 – Policies**

There were no policies to consider. The pay policy has been deferred to the summer to include the outcome of the consultation on holiday pay.

#### **5.1 – Any Other Business**

The Committee asked if the SLT have an ongoing watch on **capacity of staff** with the freeze of recruitment to vacant posts and additional work created by sector changes. Jutta Knapp reported that the main team affected by the ONS decision on reclassification of colleges will be the Finance team. A change to a 31 March accounts submission to align with the public sector would be a huge amount of work for colleges. The suggestion is that this would come into effect in March 2025 or 2026 and additional returns will need to be done which will impact on workload. The other big change which does not affect the College at the moment is the requirement for DfE consent for commercial borrowing. SLT will keep a watching brief on the impact of reclassification and report to the Committee.

**Cyber security training** will take place prior to the next Corporation meeting which will include updates and encouragement for governors to move to BHASVIC email addresses.

#### **5.2 - Date of Next Meeting – Monday 19th June 2023**

**Meeting closed:** 7.40pm

Chair ..... Date .....