

**POLICY, SUSTAINABILITY & RESOURCES COMMITTEE
MINUTES**

TUESDAY 2 JUNE 2025 AT 16.30
Meeting room, Moulsham Road Campus, and
via MS Teams by exception

Members: Trevor Bolton (Chair), Jan Church, Rachel Cornwall, Richard Davidson, Matt Dearsley, Daniel Holland, Amanda Montague, Paddy Reilly, Sheila Salmon, David Warnes (Principal), Ruth Gilbert (co-opted member).

Attendees: Debs Hurst, Ra Hamilton-Burns

This meeting was preceded with a presentation on Cybersecurity at 16.00 from Tim Grimwood (*lodged with the papers*).

	MATTERS	ACTION
1.	<p>Apologies for Absence Apologies were received from Richard Davidson. Ruth Gilbert and Rachael Cornwall had apologised that they would join the meeting late.</p> <p>The Director of Governance apologised for the omission of the name of Matt Dearsley from the agenda which was an oversight.</p> <p>The Chair welcomed Sheila Salmon to her first meeting of the PSR Committee. He also noted that this was the last PSR meeting for Amanda Montague before she leaves the Board and he recorded the thanks of the Committee. Potentially, it may be the last PSR meeting for Daniel Holland but he intends to stand for election as student governor for next year. The Committee thanked him for his contribution and wished him luck for the election.</p> <p>The Chair also noted the sad death of Bev Mahoney before Easter at the College and sent condolences to the family and her colleagues on behalf of the Committee. He shared reflections on her as an excellent colleague and good human being who made a huge contribution to the Board and the College in general. Bev had first come to the attention of Trevor Bolton during the CEO appointment process as a great colleague who was determined to support the Board to recruit the best candidate for the College and her work had been very impressive. The PSR Committee had witnessed great reports for the Committee and appreciated a valued member of the team. Her work on areas on welfare were sector-leading and she delivered outstanding work during particularly challenging times such as the pandemic. The Committee all offered thanks for all the work Bev had done and noted how sad the Board is at her passing.</p>	
2.	<p>Declarations of Interest and to notify any confidential Items Trevor Bolton sent details of his declaration of interest after the meeting.</p>	
3.	<p>To approve the minutes of the meeting held on 25 February 2025 AGREED: THE COMMITTEE AGREED THAT THE MINUTES OF THE MEETING OF THE POLICY, SUSTAINABILITY AND</p>	

	RESOURCES COMMITTEE WERE A TRUE AND ACCURATE RECORD.	
4.	Matters/actions arising There are none from the last meeting.	
TO DISCUSS AND APPROVE		
5.	KPIs <i>The DP FCS presented the report.</i> <ul style="list-style-type: none"> i. Finance 2025 review and set for 2026 ii. People and Organisation 2025 review and set for 2026. <p>Finance KPIs</p> <ul style="list-style-type: none"> • Have been set using actuals to 30 April 2025 • Forecast is to year-end with indicative budget 2025/6 • Financial Health hits 'good' • Cash Days in hand – target is 40 days and this may not be achievable. Currently sitting at 26 and next year 33-35 days would be a realistic target. • Current forecast shows financial health of 'good' for 31 July 2025. • KPIs will be further refined for the Board on 27 June 2025 <p>Governors asked if there is any news on the staff costs as the percentage of turnover as a benchmark since the 65% from the AoC was set five years ago. David Warnes said that the FEC is reviewing the benchmarks, including this target, but has yet to make an announcement. The increase to £12.21 in minimum wage and cost of National insurance to 15% impacted the College £160k in a four month period. It is challenging to get accurate benchmark information as some colleges outsource payroll, cleaning and catering etc which means that their percentages are different.</p> <p>For the People and Org Dev</p> <ul style="list-style-type: none"> • The College has looked at the 'quit rate' which is 30% to 31 July and is setting a target for next year of 20% • For CPD days the College offers 10 days per employee and allows 0.04% of turnover £80k. • The staff satisfaction of wellbeing is 50% this year and this will be a target of 52% next year. • The senior team is looking at teaching vacancy rate as there is some anomaly when compared to the workforce data. <p>Governors asked for an explanation of quit rate as the data is confusing. It was agreed that it is important to know how many staff who started at the beginning of the year are still at College and how many have joined since the beginning of the year. The Committee needs to understand the 'stability rate'. Debs Hurst explained that the quit rate at the College relates to those employees who join and leave within a twelve-month period. The Committee agreed that the raw data needs to be informed by reasons for the employees leaving the College.</p> <p>ACTION: DH to revisit the quit rate description and report back to</p>	

	<p>the next PSR committee.</p> <p>AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE FINANCE AND PEOPLE AND ORGANISATION KPIS TO THE BOARD AT ITS JUNE 2025 MEETING.</p>	
6.	<p>People and organisation report <i>The DP FCS presented the report.</i></p> <p>Debs Hurst expressed the great sadness of the College at the sudden death of Bev Mahoney. She noted her 34 years service to the College. She joined as an HR apprentice at 22 and a number of the colleagues at the College remember her from when she started. She was so delighted to be appointed as Director of People and Organisational Development and took joy in sharing all the good things she was doing and will be sorely missed. She invited the Committee and all Board members to the College memorial for her on 10 July at 13.00 at St John's Church, Moulsham Street.</p> <p>An interim Director of POD will start on 13 June 2025 until 17 December 2025. During this time the College will recruit a substantive post. Ronnie Brooks has worked in FE for a number of years and comes from South Essex College. The DPFCS has worked with her before.</p> <p>The presentation covered:</p> <p>UCU meeting had taken place on 9 May</p> <ul style="list-style-type: none"> • Staff workload but noted that the data was three years' old • Start and finish groups are working on learner, behaviour policy, progress tutors, cover policy and systems and processes • Pay strategy and pay award – this is being reviewed and DH will work with Ronnie Brooks over the summer as there are many different levels across the Business Support staff as there are some anomalies. This will then give the College data to draft a report to inform the pay percentage • Staff wellbeing – Wellfest will take place on 2 July and a staff celebration will follow. <p>Staff communications include:</p> <ul style="list-style-type: none"> • Staff council • You said, we did • Staff newsletter <p>Staff recruitment and retention – The interim POD and DPFCS will work on this to review the pay scales and will report back on the pay percentage in September 2025. Recruitment to vacant posts has improved but continues to be challenging in electrical, plumbing, science and health and social care and, for the latter, the College will need to pay an uplift as it does for others.</p> <p>Governors suggested that the College should explore other approaches to fill the 'hard to recruit rolls' as this leads to use of agency staff etc. Market supplements can be used to recruit as one of tactics however this can lead to dissatisfaction amongst staff. The College offers:</p> <ul style="list-style-type: none"> • One week more holiday than most colleges 	

- 10 CPD days
- 2 back to the floor days.

It was suggested that an advert to express these benefits might boost applications. They asked how many attendees to the recruitment event actually joined the College as employees.

Action: DH to report back on how many people joined after the recruitment event

David Warnes added that the government is giving supplements for salary uplifts for construction currently although this is not popular with unions. It is also unhelpful; as colleges compete for staff they push the supplements up.

Rachael Cornwall joined the meeting at 17.00

Staff absence

- College staff absence is an average 5.7 days compared with the AoC average of 5.7 days.
- Short time absence is 4.39 days

Governors asked how the staff council is going – David Warnes said that the current council is coming to the end of its tenure. Some will continue and be joined by new staff members. Their overall view of this academic year is broadly positive and they are going to produce a summary of their impact during the year. The staff council has been very constructive and engaged positively.

The Committee said that the report says that flexibilities offered to staff had been well received however the staff survey does not support this as there are comments about it being more challenging this year. The majority of these comments may come from teaching staff as the 864 hours for teaching staff will have led to less flexibilities for this group. However, every member of teaching staff can have up to 20 days working from home although this may not be managed consistently and it may be a process issue. Jan Church said that there is a general disquiet about the number of cover hours required. David Warnes added that it is thought that staff absence is linked to the increase in cover. He noted that perception may differ from the reality as there is a cap on cover of 30 hours and only four teachers in the College have exceeded this during the year.

The Committee noted that mental health issues are increasing and asked what the College is doing about this to prevent it creeping up. There are two mental health counsellors in HR and staff who are absent due to mental health are directed to them. This work will continue, and DH will discuss any possible actions with the interim DPOD. Mental health training for colleagues will take place during the wellbeing week and there is a limit of 16 attendees for this.

ACTIONS: DH to discuss potential mitigations to support staff with mental health issues with the interim DPOD and report back to the next Committee meeting.

The DP FCS presented the report.

i. **Management Accounts 30 April 2025 –**

- There is a surplus of £132k
- The College is forecasting £260k and a financial health of 'good'
- There will be funding to support the increase in National Insurance
- The Auditors have confirmed that this can be accrued into this financial year.

ii. **CFFR including Cashflow forecast – indicative budget (full version to Board)**

- **Cashflow** – the College will have cash of £2.5m at the end of July but £1m of this is capital funding which is restricted cash and means that the College will meet the bank covenant of over £1.5m.
- This has been drafted from the bottom up, on the advice of Board member Jaya Patten and means the College will hit an EBITDA of 7%.
- Income will be £22.5m and the College can model costs and salaries to ensure that it can hit the EBITDA targets.
- An indicative budget will come to June Board meeting with a final budget to September Board meeting.

David Warnes said that the extra £160m for 2025/6 announced by the DfE comes with the advice that it should be put towards the recruitment and retention of staff. The schoolteachers' pay review board has recommended a pay award of 4%, UCU is asking for 10% and the AoC has yet to publish its recommendations. DPFCS said that many elements are not included in the indicative budget as much is unknown.

Governors said that the previous meeting had asked that the capital funding and its ring-fencing restrictions can be illustrated so that the College's finances are clearer. The DPFCS confirmed that restricted cash is not included in the financial health of the College. The model shows that there is no restricted cash or grants left this year.

ACTION: DH to offer a finance twilight to all members and one to one meetings

The Chair noted from the [accounts framework](#) and FE Commissioner letter on good governance that governors should receive monthly management accounts by the fifteenth day.

Action: DPFCS to share the management accounts with the Director of Governance by the fifteenth day after month end.

Governors asked if the College had found a way to give bursaries to learners rather than repaying the funds. DH said that some repayments have been made but Becky Leech is working to ensure that learners are aware of and do claim the funds going next year and that the process is made as straightforward as possible. The College will ensure that student support fund staffing is adequately resourced.

AGREED: The PSR Committee noted the indicative CFFR.

	<p>iii. Fees policy Governors asked about the risk to providing specialist needs learners. College funding from Essex County Council as their model has changed but the exact formula is unknown. £1.3m is received for SEND learners currently but it is not known if this will continue and if it doesn't the College will not be able to take as many learners.</p> <p>AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE FEES POLICY FOR 2025/6 TO THE BOARD.</p>	
8.	<p>Risk management and risk register <i>The DP FCS presented the report.</i></p> <p>The dartboard showed the key risks for this Committee are:</p> <ul style="list-style-type: none"> • Hard to recruit roles • Unplanned increase to national minimum wage • Risk 22 – several staff vacancies • Changes to high needs • Cyber security is a standing risk • The introduction of a new MIS system is a red risk without a Director of MIS and Digital. Training begins at the beginning of July. <p>The Chair highlighted the recent fine of £585k from the OFS to the University of Sussex for a freedom of speech breach and asked if this had implications for the College. The College is not currently registered with the OFS and will revisit this when the HE provision has grown.</p> <p><i>Ruth Gilbert joined the meeting at 17.30</i></p> <p>AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE RISKS ASSOCIATED WITH FINANCE, SUSTAINABILITY PEOPLE AND ESTATES ARE APPROPRIATELY LISTED AND MITIGATED.</p>	
9	<p>Estates Update <i>The DPFCS presented the report.</i></p> <p>The College will receive £1,053k from the Department for Education (DFE) in June 2025 to be used to improve the condition of the Estate, to be spent by March 2028. During the Summer holidays, the team proposes to use circa £300k of this to improve learning facilities at both Moulsham Street and Princes Road. The College had thanked the DFE at the strategic conversation on Tuesday 15th May and explained that these funds were most welcome but highlighted that the College could easily spend four times this amount to improve the environment for the learners.</p> <p>The College has agreed to pay £75k to the Council for the Sports Hall and will consider if this extra funding should be used to pay the debt off all at once. Once the ELT has had a discussion about the best way to use the funds, a report will come to the College. Ruth Gilbert cautioned against slow use of capital funds as it can create an impression that the College does not need the money urgently. There is no FE capital pot in</p>	

	<p>the devolution but the College can lobby the Mayor to fund projects.</p> <p>The Auditors raised a concern that the Sports Hall belongs to the College and are researching any potential implications to the Council paying for the refurbishments. They will report back.</p> <p>The College has worked to have a separate entrance for the IGLOO with the intention of letting out the facility to third parties.</p>	
10	<p>Sustainability update - The CEO presented the report.</p> <p>The College continues to work towards completing 'Leading' status on the Association of College's Climate and Sustainability Roadmap by July 2025. There has been a 12% increase in completed progress measures since the last reporting period (January 2025). The key actions still to complete are:</p> <ul style="list-style-type: none"> ▪ Leadership & Governance <ul style="list-style-type: none"> ○ Train all staff in climate awareness. <ul style="list-style-type: none"> ▪ The College is awaiting the outcome of a funding bid Essex County Council are submitting to roll out free carbon literacy training to all public sector organisations. ▪ Teaching and learning <ul style="list-style-type: none"> ○ Ensure all students undertake climate awareness training. <ul style="list-style-type: none"> ▪ The College piloted using Earthrise Studios video content on Youtube to educate and inform the students. To date 600+ students have watched content and completed an assessment using Edpuzzle. ○ Fully embed the UN's Sustainable Development Goals into teaching and learning <ul style="list-style-type: none"> ▪ A staff champion has been identified and has recorded a CPD video to support staff to complete this. A practical workshop is planned for the July Professional Development Week, to ensure teachers are fully planned for September 2025. ▪ Partnerships and Engagement <ul style="list-style-type: none"> ○ All measures complete ▪ Estates and Operations <ul style="list-style-type: none"> ○ Conduct a biodiversity audit. <ul style="list-style-type: none"> ▪ Using the new EAUC biodiversity toolkit, the College will embark on a full audit in summer 2025. ○ Replace LED and install solar. <ul style="list-style-type: none"> ▪ The College will continue to bid for funding through the Public Sector Decarbonisation Grant to allow for this to happen ▪ Data Collection and Reporting <ul style="list-style-type: none"> ○ Develop a Sustainable Procurement Strategy <ul style="list-style-type: none"> ▪ The College is looking to recruit a new resource in 2025-26 to lead on this work. In the meantime, the external agency being used for the cleaning tender includes measures on sustainability in their procurement strategy 	

	<p>Key achievements and impact since the last report:</p> <ul style="list-style-type: none"> Chelmsford College achieved second place in the Planet Earth Games (a nation-wide competition to embed sustainability into sport and physical activity), with the Enrichment Administrator, Rebecca Well, securing the number one individual spot The College has secured £140,000 of additional funding for adults to deliver a Retrofit Bootcamp which will commence in the summer. The College will be renegotiating its contract with the printing supplier to reduce the number of photocopiers on site, reducing paper consumption and installing software to switch off PC's centrally. Currently 79% of all College waste is recycled (against a Sustainability Strategy target of 85%), the College is in discussions with Greens Recycling to help inform and educate staff and students on ways to improve this. Claire Wood, the College's Sustainability Champion who is supporting other teachers to embed SDG's has been awarded a Technical Teaching Fellowship, from the Education Training Foundation & Royal Commission. The CEO has become a National Climate Ambassador and has been shortlisted to sit on the Board of EAUC. The College presented at the recent ECC Green Light Business Event, promoting sustainability to SME's <p>Key focus is on:</p> <ul style="list-style-type: none"> Training for staff and students is ongoing and needs to be fully embedded. Energy use is dependent on winning a bid for external funding Sustainable procurement strategy is dependent on successful appointment of a procurement officer. <p>Richard Davidson had asked if the recent specification for the cleaning contract had contained a focus on sustainability.</p> <p>ACTION: the DPFCS to ask crown purchasing consortium if the specification for the cleaning contract included stipulation of sustainability and report to the autumn psr committee.</p> <p>DW said that any procurement exercise going forward will have an element of sustainability in its scoring.</p> <p>Ruth Gilbert congratulated the College team on their progress which is hugely ahead of many colleges. She drew attention of the Committee to the local political landscape and rhetoric. The by elections last week saw the Reform Party performing strongly who are known to be anti-green or dismissive of some terminology. She has been urging colleagues to use language of 'compliance to regulations' to prepare for the future and not fall foul of the potential new approach. David Warnes recognised this good advice, and he will reiterate this message at next week's FEDEC meeting.</p>	
11	<p>Subcontracting provision</p> <p>The CEO presented the report:</p> <ol style="list-style-type: none"> 2024-25 Update: <p>The College is above 100% of contract. Achievement is still coming in. It currently subcontracts c21% of its Adult Skills Fund and does not</p>	

subcontract any other funding line. It has arrangements for the current (2024/25) funding year with two large national providers. The value of the funding with each subcontractor are below:

- These arrangements went through a procurement process in June 2024 which culminated in Board approval for these arrangements.
- The current position of each subcontracting arrangement is below.

	Contract Value	Year-to-Date*	vs Target %	vs Target £
Learning Curve Group	£110,000	£109,157	99%	-£843
The Skills Network	£125,000	£126,064	101%	+£1,064
Total	£235,000	£235,221	100%	+£221

*The Year-to-Date figure above is based on data in the R09 (April) ILR.

ii. Subcontracting plans for 2025/26

- The College plans to subcontract £200k of Adult Skills Funding in 2025-26, this equates to 19.8% of the Adult Skills Funding grant, representing a 2% reduction from 2024-25
- The College is keeping an eye on devolution – currently 2023/4 data says the College subcontracts 63% to Essex residents and this rises to 90% in 2024/5
- Subcontractors are being required to deliver 100% to local residents for 2025/6
- The selection and awarding process for subcontract arrangements for next year will follow the same process as the current year, allowing for new provisions in the Procurement Act (Namely publicising the tender on the Find My Tender portal)
- Tenders close on the 16 June when they will be reviewed and scored by the College's Curriculum Innovation Group before being recommended for approval by the Senior Management team.
- Once approved by SLT, the recommendation will come to the Full Board meeting on 27 June 2025 for Board approval prior to any contracts being award.

Governors commented that although the subcontracting share is being reduced to 19.8% this still represents £1 in every £5 of adult skills fund being delivered externally. This potentially creates a risk that in future budgets the College might be allocated less funding. The College is working hard to develop its own capacity in-house but it takes time and with FEDEC but it comes with a cost. The Committee asked if the College is confident that it can make the target by the end of the year. The only area of risk is in potential withdrawals from online provision. In other areas, the College predicts it will achieve the target.

AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE SUBCONTRACTING PROPOSALS AND TARGETS FOR 2025/6 TO THE BOARD AT ITS JUNE 2025 MEETING.

12

Financial regulations and finance handbook compliance statement
The DPFCS presented the report.

The changes are tracked and appendix D, the sign off for delegation, has been amended and the CEO sign off has been reduced to £200k

	<p>of any item which is not within the budget. The procurement appendix has also been updated.</p> <p>Correction: In section 13 the delegation still states £500k.</p> <p>Members agreed that the full set including the appendices should be presented going forward as the missing appendices need to be complete particular with any sign off limits and levels. This detail will be an area of focus should there ever be an issue.</p> <ul style="list-style-type: none"> • The appendices will all be checked and can then be endorsed. • The changes will then be communicated to all staff. • It has been recommended that any financial approval above the delegated limit of £200k for the CEO which is outside the agreed budget will go to the Full Board for approval <p>ACTION: DPFCS TO COMPLETE THE APPENDICES AND WORK WITH RUTH GILBERT TO PRODUCE A FINAL VERSION OF THE FINANCIAL REGULATIONS TO RECOMMEND TO THE JUNE 2025 BOARD.</p> <p>AGREED: THE PSR COMMITTEE AGREED TO DELEGATE FINAL REVIEW OF THE FINANCIAL REGULATIONS TO RUTH GILBERT TO RECOMMEND TO THE BOARD AT ITS JUNE 2025 MEETING.</p>	
13	<p>Policies</p> <p>i. Business Resilience Policy The CEO presented this report which has updated contact numbers etc and includes updates on cybersecurity discussed earlier.</p> <p>The Committee agreed to recommend this policy subject to the addition of a list of assurances being brought to the Board.</p> <p>ACTION: DPFCS and CEO to amend the business resilience policy to add a list of actions to be monitored to offer assurance</p> <p>AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE BUSINESS RESILIENCE POLICY TO THE BOARD AT ITS JUNE 2025 MEETING (NEXT DATE OF REVIEW DECEMBER 2025).</p>	
14	<p>Committee self-assessment There will be an online, short, end-of-year committee survey and to inform this self-assessment tool, the DoG has provided a draft mapping of the Committee's activity against the Terms of reference. The Committee agreed that this was a useful exercise and endorsed the report. The DoG will update this after the meeting and circulate with the end of year survey.</p> <p>AGREED: The PSR Committee agreed to recommend the terms of reference with the request that the following items be added for 2025/6:</p> <ul style="list-style-type: none"> • Gender pay gap report. • Ethnicity and disability pay data 	

	<p>AGREED: THE PSR COMMITTEE WILL RECOMMEND TO THE BOARD THAT THERE ARE NO DELEGATIONS OF FINANCIAL APPROVALS TO COMMITTEES OUTSIDE THOSE CONTAINED WITHIN THE FINANCIAL REGULATIONS.</p>	
15	<p>Any other business notified to the Clerk in advance of the meeting</p> <p>Cleaning contract</p> <ul style="list-style-type: none"> • There had been request for a PSR Committee member to sit on the panel on 1 July 09.00-13.00 • Trevor Bolton will attend • He will provide a review of the process and recommendation to the Board for approval. <p>Election of a Vice Chair of the PSR Committee – Ruth Gilbert volunteered as Vice Chair.</p> <p>AGREED: RUTH GILBERT WAS ELECTED AS THE VICE CHAIR OF THE PSR COMMITTEE.</p> <p><i>The meeting ended at 18.05</i></p>	
16	<p>Date of Next Meeting</p> <p>18 November 2025 11.00 (overlapping with Audit meeting)</p>	