Chelmsford College

Policy, sustainability & resources committee

MINUTES

Tuesday 24 February 2026

Princes' Road and MS Teams

Members: Rachael Cornwall, Richard Davidson (Chair), Matt Dearsley, Tim Grimwood, Daniel Holland, Paddy Reilly, Sheila Salmon, David Warnes (Principal), Ruth Gilbert

Attendees: Debs Hurst, Chief Operating Officer; Roney Brooks, Director of People and Organisation; Sean Parker Director of MIS; Ra Hamilton-Burns, Director of Governance.

	MATTERS	ACTION
1.	**Apologies for Absence** There were no apologies. Ruth Gilbert did not attend.	
2.	**Declarations of interest and notify any confidential items** There were none.	
3.	**To approve the minutes of the meeting held on 25 November 2025** **AGREED: THE POLICY, SUSTAINABILITY AND RESOURCES COMMITTEE AGREED THAT THE MINUTES OF THE MEETING HELD ON 25 NOVEMBER WERE A TRUE AND ACCURATE RECORD.** ***Daniel Holland joined the meeting at 16.40***	
4.	**Matters/actions arising** **Actions have been closed as follows:** • Roney Brooks has included an update on the people/prosperity/place KPI outturn in HR report. • Estates update – The Chief Operating Officer has included an update on the survey of trees in the February Estates report. Governors asked if there has been improvement in the take-up of the student bursary. This had just been increased to £7.50 per day and the College will monitor the impact. The Committee noted the increase with pleasure. The Chief Operating Officer reminded governors that the College is due to refund the DfE by the end of March 2026 for prior underspend in the last two years. Once the amount of this clawback is known, the College will understand how much of the fund is left. **ACTION: DH will prepare a report on how much has been claimed and how it has benefited the students for the 16 June PSR meeting.** The Committee will then consider if more significant changes might be required to the bursary policy.	**COO**

5.	**COO report and KPIs**	

FEC KPI Target	Actual
Financial Health is Good	Requires improvement at 31st Jan (due to phasing of income and expenditure) but forecast remains Good
Education Specific EBITDA is 10%	YTD 1.81% - Forecast 7.1%
Current ratio is 1 or above	Currently 0.65 forecast 1.18
Cash days in hand >40	Currently 31 days
Staff costs are <65%	Currently 73.1% forecast 71%
Debt Service Cover >2	4.56

- The majority of the key financial performance indicators will be met at year end based on the current CFFR.
- The key indicator that the College will be unable to meet is the staff cost as a % of income.
- The current measure is at 73.9% based on the 31 January management accounts.
- Salary costs in January include pay increase backdated to 1st December 2026.
- The Committee was asked to note that only 2/3 of Colleges are currently meeting the 65% measure as shown on the slides from Julian Gravatt.

Governors asked if the College will be able to reduce the staff costs to 65% by year-end and this is unlikely. The figure is higher than other colleges as many of them outsource their services such as catering and estates which are categorised as professional services. The CEO reminded the Committee that the Board's own KPI for this is 69% for the year and that Julian Gravatt had confirmed that the majority of colleges are not meeting the 65% target.

The Cash days in hand are currently at 31 days, and a document had been circulated to show the position month by month. The projection is that the College will close at 32 days cash in hand in July 2026. With restricted funds this could be over the required 40 days. This graph will now be included in management accounts each month. The College had reported on a prudent basis – Essex CC fund projection is £450k for SEND provision and this might be more than that in reality.

The Committee asked for an update on the contributions analysis and rented accommodation. The College is currently reviewing this in detail and there will be a report to the Board. Governors questioned if adult provision making a contribution should result in the decision that the College would rent offsite accommodation for that provision. The COO explained that location is considered to be important to attract

	adult learners not just in terms of capacity but perception of the potential customers and for safeguarding reasons. Governors also asked for the cost to get out of the current contract. **ACTION: DH to bring a detailed contribution analysis to the Board in March 2026 including costs of ending the current accommodation contract.** In addition to the information in the HR report including the Gender Pay and EDI reports, the College had also undertaken a staff survey. 253 colleagues completed the survey, and the College also received valuable feedback which it is in the process of analysing, and more information will be provided at the Board meeting in March 2026. Overall, the feedback was positive with a number of the responses being 'strongly agree' or 'agree' across most areas. In contrast the net promotor score reduced significantly, and the reasons for this are being explored. Governors noted that 35% of staff had responded that they do not have the tools to do their work (89 people) and asked what can be done to address this. The Committee was disappointed to learn that 21% of staff have not had one to ones with their manager. **Action: DH to report further on the staff survey to the Board meeting in March** **Dovedale nursery** The first meeting which included the new independent directors of the Dovedale Nursery had taken place on 10 February 2025. The discussions were informative and included: • A review of the annual report and accounts and the purpose of the payment of gift aid • The self-reflection report prepared by the Nursery Manager • The nursery website • Capital improvement plans for expansion	**COO** **COO**
	TO DISCUSS AND APPROVE	
6.	**Gender pay report and EDI report** The Director of People and Organizational development invited feedback on both reports to include in the final versions going to Board. **The draft annual EDI report** The DPO reminded governors that the College is bound by public sector legal duty under the Equality Act to publish workforce data by 31 January each year. The draft report was published on the website, whilst it is being finalised and a polished version created.	

	The data relating to the College's people and protected characteristics shows: • **Staff Categories:** Leadership & management (9% of the workforce), Teaching & Learning (32%), Student Learning (12%), Business support 47% and Apprenticeships (1) • **Age Structure:** This shows the College has an aging workforce with the majority of staff aged 50+. Further action will be taken relating to recruitment and promoting the College to attract applicants and support succession planning to retain skills and knowledge. • **Disability**: 4% of the workforce disclosed they have a disability. • **Ethnicity:** The College people data shows 81% are White-British ethnicity with 7% from Black / Minority ethnicity and 2% have chosen not to disclose. Referring to the College's local population demographics, this shows there is no significant diverse ethnicity in the local areas. • **Gender Reassignment:** No staff disclosed they are not identifying as a gender different to birth. • **Marriage & Civil Partnerships:** The people data shows we have 47.52% married, 28.71% single, 10.15% divorced, 2.72% separated and 9.65% chose not to disclose. • **Religion or Belief:** 38.86% disclosed they are Christian, 42.57% have disclosed no religion or belief, 9.16% chose not to disclose and the remainder disclosed they were either Muslim, Buddhist or Hindu. • **Sex / Gender:** 70% of College people are female and 30% male, with 47% employed in full time positions and 53% holding part time position. This is comparable within the education sector which offers flexible contracts more attractive to people with dependant responsibilities. • **Sexual Orientation:** 86.4% of staff disclosed they are heterosexual, 2.2% disclosed being bisexual, 2.72% Gay / Lesbian and 8.66% have not disclosed their sexual orientation. The College recognises that individuals may face unique barriers accessing their rights, including right to social protection. The Committee noted that only 4% of staff had declared a disability against the UK average of 20% and asked if more work was needed to encourage people to disclose. The College will be encouraging people to disclose and the health passport is expected to support this and that the data will changes as a result. The College is working on plans to attract staff from younger age bands. Members suggested that the College might need to be more challenging on RE ethnicity which at 7% is much lower than Anglia Ruskin University which is very close to the College. **Action: RB to bring more detailed feedback on the staff survey to the next PSR Committee**	DPO

AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE ANNUAL EDI REPORT TO THE BOARD.

Gender pay gap report 2024-5 – The DPO noted that this must be published on the government gateway by 31 March 2026.

Gender Pay Gap 2025 and compared with previous four years: *This shows a positive step forward with a reduction of 1.6% in the Mean Gender Pay Gap and 6.79% reduction in the Median Gender Pay Gap.*

Description	2025	2024	2023	2022	2021
Mean Gender Pay Gap	**14.60%**	16.2%	17.8%	19.5%	20.1%
Median Gender Pay Gap	**22.91%**	29.7%	28%	31.2%	34.9%

The report outlined actions taken since this data capture which should make positive impact for this current year.

A governor challenged the statement that 'we have employed two more male staff members in the upper quartile of pay'. The report then says that 'this, coupled with slight changes in male and female staff numbers employed within the lower quartiles of the staffing structure "will contribute to the reducing in the gender pay gap".' A governor commented that this would surely increase the pay gap and it may need rewording.

Action: The DPO will revisit the paragraph for a sense check.

Governors noted that the pay gap is reducing which is pleasing. The DPO explained that the data is extraordinarily complex and changes can make differences to the outcomes.

Governors requested ethnicity and disability pay gap data going forwards. The DPO said this is coming into law, but the College is waiting for clarification on what this might look like from the government.

Action: RB will provide an updated version of the Gender Pay Gap report for the Board meeting in March 2026. DPO

AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE ANNUAL GENDER PAY GAP REPORT TO THE BOARD AT ITS MARCH 2025 MEETING.

7. **HR report including staff performance completion**
Staff Turnover (rolling 12-month period up to 31 December 2025) –

- On 31 December 2025 turnover for the 12-month rolling period **was 21.55%.**
- Within that period 78 staff left the college.
- The turnover KPI is to be <**18%,** excluding staff leaving due to performance or restructure.

Staff Sickness Absence (12 month rolling period up to 30/09/2025)

- *The Lost Time Percentage rate (LTP) was **3.63%** exceeding the **2.7%**. Average sickness absence was **5.3** days per person exceeding the <5 days per person absence KPI.*

Annual Performance Reviews

- As at end of December 2025 **91%** of staff had targets set (including staff in probation with targets set and excluding casual workers).

Mandatory Training

- Pre-employment mandatory training has 100% completion. Additional training will be moved onto digital systems and come under the remit of HR department.

The DPO reported that the College had implemented a new exit process and she is keeping an HR casework log. She outlined the number of disciplinaries and grievances, and this was welcomed by governors who were assured that it is being monitored and managed and added that zero disciplinaries would have been a concern. The culture change is thought to be a factor and governors noted that the change in net promotor score is an area for monitoring and further investigation.

Rachael Cornwall shared that her organisation has now made compliance with training a responsibility of managers and this has had a positive impact on rates of completion. The message of compliance is clear and will be repeated going forward. The SLT will be looking at other possible actions.

Actions: RB to list the performance management cases in future reports. DPO

Governors were pleased to note that staff are being onboarded and asked that recruitment is reported in the HR report going forward.

Action: RB to offer updates on recruitment data in future reports. DPO

The Committee noted that the KPI for 18% excluding performance management cases but commented that careful thought on background of leavers should be given as some of those outlined may have been ‘good leavers’ if there could be such a thing. The new exit questionnaire needs to ask leavers why they are leaving for another role i.e. pay, location, dissatisfaction.

Action: DH said she will work with RB to analyse the data between COO/ DPO

agency staff, vacancies and cover for sickness.

8. **Financial update**

i. **Management Accounts**
ii. Cashflow forecast 2025/6

Area	**Budget £m**	**Actual £m**	**Variance £m**	**Commentary**
Income	£11.991m	£11.902m	(£0.89m)	Predominately due to Adult Education Budget – all areas behind phased budget
Staff Costs	£8.677m	£8.697m	(£0.020m)	Backdated pay award from 1st December paid in January, currently vacancies savings are mostly covering agency costs.
Other Cost	£3.022m	£2.989m	£0.013	On budget
EBITDA	£0.311m	£0.216m	£0.095m)	Income behind budget.

The College remains a going concern with sufficient liquidity to meet obligations and fund capital investments. The key financial priorities for the next three years included:

- Succession planning and recruitment of Director of Finance & Estates
- Continued income growth from 16-19 demographic change, apprenticeships, commercial training and partnerships
- Managing non-pay cost inflation by creating partnerships with suppliers
- Managing pay inflation by reducing the reliance on agency staff creating an organisation that retains new talent.
- Investing in digital learning infrastructure and estate modernisation
- Maintaining compliance with financial health and other benchmarks

Risks were outlined as:

- The value of funding for achieving growth in 16-19 learner numbers fully offsets the clawback in T Level under recruitment
- Significantly reducing the requirement for agency staff to reduce costs and impact on the quality of teaching and learning
- Learner recruitment for adult education programmes

- Learner recruitment for 2026/27

The COO reported that the numbers may not be growing at the rate hoped but the College is working to control costs and generate a surplus which would be the third year this has happened. The College is improving its financial resilience.

- The management accounts had included two models of reforecast budget with a best case of a reduction of £23k and a worse case of a £355k reduction.
- There are staff being funded by innovate grant which is stopping and the College is considering whether to let them go or to integrate them into the workforce.
- There is risk of 'requires improvement' at one point of time, but the end of year returns to 'good'.

Governors commented that on the detailed pay report in the management accounts it was hard to understand where the overspend occurs as actuals are listed. If the staff sickness position were to continue the ability to reduce agency costs might be hampered. This might lead to a poorer position than the worst-case scenario in the forecast. Governors asked if the College ever decides that replacement agency costs are not affordable. The focus is on student experience and outcomes so cost reduction is sought elsewhere.

The COO said that pressure remains on HoDs to replace agency staff and the DPO doing a sterling job at emphasising that. Bricklaying, plumbing and electrical staff remain hard to recruit and are often given golden handshakes by other colleges in a repetitive situation which Chelmsford cannot perpetuate. Governors then asked if there was ever a point when the College would not employ agency staff for a class. This is unlikely as the student experience and outcomes are the focus of the College. The DPO explained that other options than agency staff such as graduates or cover staff are being considered.

COO

Action: DH will bring a proposal on potential savings to offset agency staff to the next PSR meeting.

The Committee asked at which point the College will call in a recovery plan. The ELT will look at the February management accounts which will show the impact of new substantive staff and reduction in agency staff. The COO said that the College is on target to meet the budget currently and other costs will be cut. There will be a stop on all expenditures. A clearer picture will be available at the end of March 2026 when additional funding is clarified, and a plan will be drawn up.

COO

Action: DH to bring an updated projection and clear plan for improvement to the March 2026 Board meeting.

	Governors asked if monthly management accounts are being received. DH believes they are being issued. **Action: RHB to check that each month management accounts are in the GVO and are emailed.** A governor commented that the financial forecast feels too tight for comfort and asked for more detail about the bank covenants. The COO explained that Lloyds does not state that restricted cash cannot be included in the cash balances and at the end of 2024/5 the College had a million pounds of restricted funds. Lloyds covenant states that there must be £1.75 million cash balance at the end of each year, but it ends on 31 March 2027. At that point, the COO will look at it. **Action: DH to circulate bank covenants for governor in GVO**	DoG COO
9.	**Learner numbers and financial implications** The Director of MIS reported that recruitment for the current year exceeded expectation for the third successive year and there has been 6.7% growth over last year. The College may qualify for an exceptional in-year growth award. Based on current recruitment levels, the College forecasts a **net increase of approximately £1.4 million** in its core 16–19 programme funding for 2026/27. This estimate should be treated with **appropriate caution** until the final allocation is released in March 2026. **T Level -** The 2026/27 allocation currently assumes **210 new T Level learners**. The College will need to carefully assess whether these projections are achievable. Should delivery fall short of these levels, a reconciliation in Spring 2026 will be required and should be planned for in advance. Governors asked if there is more that can be done to publicise T levels and bolster the numbers and ensure that 210 learners are enrolled. The CEO said that the College showcases have two T level sessions which are usually full and this year this has been enhanced by one of the T level employers demonstrating how this translates to the workforce such as Sharp and Morgan Sindall. The progression to university is made explicit. ARU is pro T Level and accepts them onto the midwifery and nursing from the College's health and social care courses. ARU is also present on campus and other times of the year which reinforces recruitment. High quality placement supports progression into employments. It is still a challenge with schools regarding them as unknown and lack of government support.	

10. **Estates Update –**

- The Committee is aware the College received £1.053m capital grant for ‘condition funding’ in June 2025 to improve College campuses.
- The College used £0.370m for summer works in 2025, leaving £0.680m for further improvements.
- The College anticipates using college capital funding of circa £0.3m to support:
  - Improved wireless connections on both campuses
  - Installation of ‘Audiebant’ Lockdown and communication system on both campuses.
  - Replacing curriculum equipment as identified from curriculum planning
  - Continuing the replacement of ‘SMART’ board in classrooms

Campus	Project	Estimated Costs including VAT
MS/PR	Summer works 2025	£370,000
MS	M206 – strip out kitchen and return to classroom. M014 strip out and provide new kitchen. M012 office used to accommodate new kitchen and spaces for 6 stations	£156,000
MS	M115A – Currently one large IT classroom. Insert partition and return to two separate classrooms	£30,000.
PR	First floor WC areas to all gender and accessible WC with shower	£204,000
PR	Relocate LRC to ground floor P024 & P025 and create 2 new classrooms M131.	£156.000
Dovedale Leisure Centre	There are currently additional costs for asbestos removal and roofing which were not in the original costs. In addition, capital equipment for the gym is £26,000 higher than predicted which we have in college equipment funding.	£40,000
	TOTAL	**£916,000**

Dovedale Leisure Centre - There is an official opening planned on the evening of the 26 February 2026 from 17:30. The pavilion has now gone.

	Tree survey - the survey contained the review of 127 individual trees and 37 groups of trees within the boundaries of both campuses. The survey provided a six-month propriety list of works which were outlined. There were additional tree works required and these will be budgeted in 2026-7. The relocation of the adult teaching was discussed in an earlier item and the ELT will report back on the contribution analysis to the Board. The Audiebant system will ensure that the College complies with Martyn's law. There is an alarm system currently and this is controlled by reception. There is a video shared with learners. Compliance is monitored and reported to Health and Safety committee. The CEO added that the College is already compliant with Martyn's law but Audiebant strengthens the capacity of the College to alert people in the buildings. Daniel Holland commented that from a student perspective that there have been occasions when learners are aware from teachers if there is going to be a lockdown rehearsal. There are different scenarios as staff often know there may be one this week or this term – exact timing is not known so if this information is being shared this was most unfortunate. Daniel Holland confirmed that he was not aware that a lockdown was planned for the coming week. Governors asked if there is a clear plan to implement the Audiebant system and if the staff have the relevant skills to manage it and the implications. This is not yet in place but a College which is already using it is presenting to the health and safety committee on 25 February 2026. After this, Debs Hurst will ensure that all relevant training is in place for September 2026. Governors asked if a contract for £31k was sufficient for two campuses and if the system is likely to be robust. They advised doing thorough due diligence. Debs Hurst assured the Committee that the College is taking references from other colleges already using it. **ACTION: DH will report back to the PSR Committee once the College has evaluated the system and met with the College who have it in use currently.** **AGREED: THE PSR COMMITTEE AGREED TO RECOMMEND THE BALANCE OF THE CONDITION FUND GRANT OF £680,000 TO FUND SUMMER WORKS AS OUTLINED IN THE PAPER, FINAL COSTS TO BE DETERMINED ONCE TENDERED. IN ADDITION, £300,000 OF COLLEGE CAPITAL FOR EQUIPMENT AND IT IMPROVEMENTS.** Daniel Holland asked what Audiebant is likely to provide from the	COO

	learner perspective. The information will flash up on screens in each area rather than an alarm. Then alarms will only be for fires. Lockdown will be online and loudspeakers. If there is an incident in one section of the campus, warnings can be limited to just that area.	
11.	**Sustainability strategy and social values update** **Estates and Operations** ○ A biodiversity audit is underway to measure, create, maintain and measure again. This audit will recommend ways to increase biodiversity within the college estate ▪ **Data Collection and Reporting** ○ A Sustainable Procurement Strategy is in development and will include compliance with the new Procurement Act. **Progress against Climate and Sustainability Strategy** ▪ **Careers** ○ The **Clean Energy Jobs and Careers Fair** is organised for the 22 April (Earth Day) and will include over 50 exhibitors, workshop sessions and masterclasses for College students and the wider FEDEC network and schools. The Jobs Fair will include job seekers from the local area. ▪ **Collaboration** ○ The College is leading the establishment of the **Green Skills Advisory Panel (GSAP**) for Essex, this is a national network bringing stakeholders from the clean energy and sustainability sector together to share best practice and *develop new curricular and initiatives. Endorsed by Robert Halfont.* ○ *The Principal is presenting at the **AoC Climate and Sustainability Conference** in March 2026, presenting findings from a research project on the impact of climate and sustainability networks* Governors praised the CEO for being an FE advocate for sustainability. They also noted a bid for a renewables bootcamp and the College will hear the outcomes in March 21026. They asked what has been done to discourage staff from bringing cars to College. Students are actively campaigning for affordable buses and there will be an assembly around this lobbying in March. There has been a plateau in staff and students driving EVs. The biggest ask from the staff survey feedback asked the College to limit use of the car park to those who live further away. Many staff who live near the College currently use the car park. Daniel said the students will meet the boss of the bus company on March 3, 2026.	

12.	**Risk management and risk register pertaining to PSR** The College continues to operate in a risk minimalist profile to reflect the appetite set by the Board. Across the 24 live risks recorded, there are 12 risks to report to this Committee of which 5 risks fall within the RED category where actions are in place to mitigate these risks as follows: **1. Staffing and Recruitment Pressures** - Several curriculum areas continue to face shortages, particularly in Electrical, Plumbing, Brickwork, Engineering, and Health & Social Care. Agency reliance remains high, impacting cash flow and continuity of teaching and learning. Improvements are being achieved through targeted recruitment, market supplements and proactive HR engagement. **2. Data, Systems, and MIS Risks -** The implementation of the new Management Information System (MIS) has created significant pressure across registers, attendance, reporting and safeguarding data. While the system is stabilising, issues around data completeness, timeliness, and staff training persist, driving several performance and safeguarding risks. Staff are being recruited to elicit the data accurately over the next couple of months. If the College can reach the position that staff complete paper registers it will be compliant with regulatory requirements. 3. **Funding and Financial Sustainability** • Income-related risks remain prominent: • High Needs funding reform poses a structural challenge to inclusive provision and future funding is unknown. • ASF (Adult Skills Fund) is at risk under future devolution. • Maintaining £2m cash balances remains a critical driver of resilience. • The College has strong financial controls and forecasting procedures, but income risks will require sustained monitoring. **4. Cyber Security and Technology** - Cyber risk retains one of the highest gross scores (25). Controls such as Cyber Essentials certification, conditional access, Multi Factor Authentication, JISC protection, and continued monitoring mitigate this to a residual level of 12. Ongoing vigilance is required due to the evolving threat landscape. A recent audit of Cyber Security reported 'reasonable assurance'. The main recommendation to undertake a penetration test and quotes have been received from Sharp and JISC and the College intends to undertake this exercise within the next three months. Governors welcomed the session being offered as a twilight by Tim Grimwood. They asked if the risks are listed in more detail. The COO said there is one risk on the MIS system and she will work to provide a report on the risks with Sean Parker and report to the Board. It is	

	intended that there will be a bespoke front-end for unit-e and CEDAR will be ceased. The Committee asked what the timescale is to ensure that the system is fit for purpose and reliance on paper as a back-up. Sheila Salmon reported that there is more detailed analysis ongoing and a report will be made to the Board and potential solutions will be proposed at the March meeting It was agreed that regular reports and updates on the unit-e and CEDAR system. Governors cautioned that writing a bespoke front end is an ambitious ask and cautioned that careful consideration should be given to this **ACTION: DH to create a separate risk register on the MIS system with timings of mitigations before plan b needs to be implemented.**	
13.	**Any other business notified to the Clerk in advance of the meeting** There was none. The meeting closed at 18.15.	
14.	**Date of next meetings** 16 June 2026 online.	