

**Heart of Yorkshire Education Group Corporation ('Corporation')**

**Board of Governors ('Group Board')**

**Finance, People and Resources Committee ('Committee')**

**Minutes of the Meeting held on 21 February 2024 ('Meeting')**

**Present:** Claire Corneille (via MS Teams) (until minute 10), Tony Jackson, Jayne King, 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:** Michael Clarke

**1. Welcome and apologies for absence**

- 1.1. The Chair welcomed those present, reported that due notice of the Meeting had been given and that the Meeting was quorate. Accordingly, the Chair declared the Meeting open.
- 1.2. The Chair noted that Michael Clarke had given his apologies.

**2. Declarations of interest**

The Chair stated that he was not aware of any conflicts of interest and asked members to make any necessary declarations. No declarations of interest were made.

**3. Minutes of the meeting held on 21 November 2023**

3.1. IT WAS RESOLVED THAT the minutes of the meeting of the Committee of 21 November 2023 were approved.

#### **4. Matters arising**

4.1. The Clerk addressed the outstanding matters arising with deadlines on or before the date of the Meeting:

- 4.1.1. On matter arising 6, KS noted that, although some work had been done in relation to the cost of sickness reporting, the data was not ready for presentation due to ongoing data cleansing issues resulting from the transition to a new HR system. It was agreed to set improvement in the cost of sickness absence as a potential Key Performance Indicator (KPI) once the data issue was addressed. There was discussion about using an average salary to calculate the cost of absence but it was deemed important to get an accurate picture before proceeding. It was agreed to use an average in the interim.
- 4.1.2. On matters arising 7 and 8, regarding initiatives to retain staff and ambitions regarding the gender pay gap, plans were discussed to set bold ambitions which also, in the case of the later, related to other diversity related KPIs.
- 4.1.3. On matter arising 9, the need for better data collection regarding sexual orientation was highlighted by KS. She outlined plans to improve data capture which would facilitate the creation of relevant KPIs.
- 4.1.4. On matter arising 10, the recirculation of key performance indicators for approval was postponed due to data readiness issues.
- 4.1.5. On matter arising 13, amendments to the terms of reference were also deferred pending feedback from an external governance review.
- 4.1.6. On matter arising 14, there was an agreement to hold a deep dive session on budget-related matters before the June meeting, inviting non-Committee members. JP agreed to confirm an appropriate time as part of the budget setting process.

#### **5. People and Culture Update 2023/24**

5.1. The agenda of the meeting was amended to ensure the Lead Governor for HR and OD, who had to leave the meeting before its intended close could comment on people related matters.

5.2. KS noted the following:

- 5.2.1. The ongoing focus on efforts to resolve pay disputes with unions and align pay and conditions across the organisation. She noted that progress had been made in job evaluation work, with a proposal to harmonise pay and provide options for staff affected by grade changes.
- 5.2.2. The role of unions in negotiating terms and conditions, highlighting potential challenges in implementing changes.
- 5.2.3. Efforts to reduce long-term sickness cases and prioritise staff well-being.
- 5.2.4. Challenges related to recruitment and retention.
- 5.2.5. Challenges relating to staff engagement and the results of a recent staff survey.
- 5.2.6. The new leadership programme aimed at improving performance and inclusivity in the workplace.
- 5.2.7. Various initiatives related to diversity and inclusion, such as engaging with staff to create a more inclusive culture and pursuing accreditations in diversity standards.

5.3. Members:

- 5.3.1. Asked whether any staff would be negatively affected by the job evaluation project. KS noted that all staff would either positively benefit from the proposed changes or would see no change at all.
- 5.3.2. Asked the challenges the Group faced in relation to union involvement in the job evaluation programme. KS noted the limited capacity of part-time union representatives was a barrier to effective communication and negotiation. Members discussed ways to address this issue but acknowledged that it was a problem which the Group had to accept.
- 5.3.3. Stressed the importance of understanding the root causes of long-term sickness issues and asked what support systems were in place to address them. KS acknowledged that mental health challenges, including anxiety, were prevalent across different sectors and that the Group was no different. She also noted a number of incidents of 'long COVID'. She explained that the Group's position was that prevention is better than cure but that individual cases were appropriately treated. Several interventions

were mentioned, including a robust assistance scheme and extensive publicity campaigns focusing on mental health.

- 5.3.4. Asked why recruitment and retention was a challenge and what was being done to retain existing staff. KS raised concerns about the impact of salary discrepancies on recruitment in comparison to other sectors. KS explained that efforts were being made to develop existing staff through internal frameworks and training programmes. The goal was to retain talented individuals within the organisation while addressing capacity issues.
- 5.3.5. Expressed concerns regarding the staff survey response rate and the need to encourage greater participation. The Committee debated the effectiveness of previous initiatives and the need for new strategies to address the issue. KS noted initiatives to understand the root cause of the issue and members suggested line managers might play a role. Members requested that KS circulate survey targets to the Committee.
- 5.3.6. In relation to diversity standards accreditation, questioned data collection on ethnicity and disability and its compliance with regulations and the importance of meaningful action beyond mere data collection for accreditation purposes. The Lead Governor for HR and OD agreed to clarify the regulatory position. She also asked what proportion of data relating to disability was not available. KS agreed to circulate this.

## **6. Health and Safety Update**

6.1. JP noted the following:

- 6.1.1. An increase in incident rates since the previous year caused by improved reporting but no RIDDOR incidents.
- 6.1.2. An increase in near miss reporting since the previous year.
- 6.1.3. An increase in first aid call outs and the causes and the number of first aiders which was deemed more than adequate to deal with demand.
- 6.1.4. That fire safety and evacuation programmes were operating effectively with positive feedback having been received from emergency services.
- 6.1.5. That risk assessments were being automated using new software.
- 6.1.6. That air inspections had been completed at Castleford and Selby Colleges with no actions required.

- 6.1.7. That there were continuing issues with legionella at Selby College, due to the nature of the construction of the relevant buildings, which were being addressed as a matter of urgency.

6.2. Members:

- 6.2.1. Requested an update regarding the Group's progress relating to legionella issues at the next meeting.
- 6.2.2. Thanked the Health and Safety Team for its work and for the provision of comparative data in the paper which made scrutiny easier.

## 7. Finance Report

7.1. JP noted the following:

- 7.1.1. The organisation's operating position and financial health, highlighting both positive and challenging aspects. He explained he had positive expectations for achieving a 'Good' financial health rating.
- 7.1.2. Key risk areas, including high agency staffing costs, adult and apprenticeships funding.
- 7.1.3. That agency costs had been mitigated to some extent by vacancies.
- 7.1.4. Positive developments including increased revenue from certain programmes, though challenges in delivering adult education and apprenticeships were acknowledged.
- 7.1.5. The ongoing issue of funding errors in apprenticeships and the efforts underway to address documentation gaps and reduce error rates.
- 7.1.6. The Group's strong cash position due, in part, to grant funding received in advance of spend.

7.2. Members:

- 7.2.1. Emphasised the importance of retaining a 'Good' financial health rating and the need to maintain sufficient cash reserves for future needs.
- 7.2.2. Asked for information to help them understand what the organisation's underlying financial position would have been had funding relating to construction projects been spent in line with predicted timescales. JP agreed to confirm.

## 8. Estates Update 2023/24

8.1. JP noted the following:

- 8.1.1. That the Principal had made representations to the local authority regarding a potential new education provider in the City and that, out of this, had come possible funding opportunities for refurbishing F Block. JP explained there were three options for refurbishment, ranging from basic internal refurbishment to a more extensive project including external cladding and a sports hall, depending on the sums made available.
- 8.1.2. Future expected increased demand for classroom space due to changes in government requirements for English and Maths education. Plans to accommodate this demand, including refurbishment projects and potential funding sources, were outlined.

8.2. Governors asked for an estates schedule of works to be made available to members.

## **9. Castleford Construction Workshop Update**

9.1. JP noted the progress regarding the building of the Castleford Construction Workshop including technical challenges.

9.2. Governors expressed concerns about potential delays and the need to meet completion deadlines were discussed. JP noted that he had repeatedly informed the ESFA that completion of the project would not meet the deadline. Members asked for an update on the risk of late completion of the Castleford Construction Workshop before further money was spent.

## **10. Reserves Policy**

10.1. JP noted the following:

- 10.1.1. That he had updated the draft Reserves Policy to meet the requirements of the Committee voiced at its last meeting. However, suggestions to increase reserve rates and to base reserves on certain staffing costs had been resisted due to concerns about stakeholder reactions.
- 10.1.2. That the suggestion to set trigger points for reserve levels, prompting decisions when approaching certain thresholds, had not been incorporated. JP agreed to further amend the policy to address this.

10.2. Governors noted:

- 10.2.1. The importance of having clear policies regarding cash and reserves, especially considering the organisation's future capital needs. Members asked JP to consider a max reserve to help ringfence monies and stressed the need for clarity on reasons for holding cash.
- 10.2.2. Asked that the amended Reserves Policy be circulated to Committee members for recommendation with a view to presenting it to the Board for approval thereafter.

## **11. Committee Self-assessment**

The Clerk noted that, regarding committee feedback, there were suggestions for improvement such as providing business schedules in advance, improving the terms of reference and tying KPIs to the people strategy all of which would be addressed.

## **12. Review of effectiveness of the meeting and emerging risks**

The Committee agreed that the Meeting had been effective and emerging risks had been considered during its course. Members suggested that, to better balance people and finance issues, people issues be taken first in future.

The Chair noted that the next meeting of the Committee was to take place on 18 June 2024.

A handwritten signature in black ink, appearing to be a stylized 'A' or a similar character.

Signed..... Date 18 June 2024

## Actions

No.	Minute	Details	Deadline	Responsibility
1	4.1.1	It was agreed to set improvement in the cost of sickness absence as a potential Key Performance Indicator (KPI) once the data issue was addressed	Prior to the FP&R meeting of 18 June 2024	KS
2	4.1.6	JP agreed to confirm an appropriate time for a budget meeting as part of the budget setting process.	Prior to the FP&R meeting of 18 June 2024	JP
3	5.3.5	Members requested that KS circulate survey targets to the Committee.	Prior to the FP&R meeting of 18 June 2024	KS
4	5.3.6	The Lead Governor for HR and OD agreed to clarify the regulatory position regarding ethnicity and disability data. She also asked	Prior to the FP&R meeting of 18 June 2024	KS

		what proportion of data relating to disability was not available. KS agreed to circulate this.		
5	6.2.1	Requested an update regarding the Group's progress relating to legionella issues at the next meeting.	FP&R meeting of 18 June 2024	JP
6	7.2.2	Members asked for information to help them understand what the organisation's financial position would have been had funding relating to construction projects been spent in line with predicted timescales. JP agreed to confirm.	FP&R meeting of 18 June 2024	JP
7	8.2	Governors asked for an estates schedule to be made available to the Board.	The Board meeting of 2 July.	JP
8	9.2	Members asked for an update on	Prior to the FP&R	JP

		the risk of late completion of the Castleford Construction Workshop before further money was spent on construction.	meeting of 18 June 2024	
9	10.2.2	Members asked that the amended Reserves Policy be circulated to Committee members for recommendation with a view to presenting it to the Board for approval at its next meeting.	Prior to the Board meeting of 2 July 2024	JP
10	12	Members suggested that, to better balance people and finance issues, people be taken first in future.	FP&R meeting of 18 June 2024	Clerk