Preston College

Redacted and Abridged[1] Minutes of the Resources Committee Meeting held on Thursday 12 March 2026 at 6.15pm Preston College

Present

Mr Neil Garnham	Chair
Mr Simon Nixon	Principal and Chief Executive
Mr David Bond	
Mrs Tamsyn Haselden	
Miss Amanda Morey	
Mrs Andrea Willimott	

Apologies:

Ms Giulia D'Ambrosio
Mrs Janet Harrison
Mr Jose Sedano-Martinez

In attendance:

Mr Mark Airey	Executive Director of Finance
Mrs Clare Rayner	Director of Governance
Mr Iain Stott	Vice Principal Corporate Services
Ms Gill Thornton	Director of Human Resources
Ms Corinne Wainwright	Investors in People (Observer).

1. Welcome and Apologies

The Chair welcomed members to the meeting. The Committee noted apologies from Ms Giulia D'Ambrosio, Mrs Janet Harrison and Mr Jose Sedano-Martinez.

The Chair welcomed Ms Corinne Wainwright from Investors in People who would observe part of the meeting.

The Chair reported that he would re-order the agenda to allow some HR reports to take place at the start of the meeting whilst Ms Wainwright was present.

2. Declarations of Interest

No declarations were made.

3. Minutes of Previous Meeting 4 December 2025

[1] Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

The minutes of the previous meeting held on 4 December 2025 were reviewed and approved as an accurate record.

Resolved: The minutes of the previous meeting held on 4 December 2025 were approved as an accurate record.

4. Matters Arising

The Chair referred members to the matters arising from the previous meeting.

The Chair reported that he had asked the Director of Governance to close the action related to organising a Continuing Professional Development (CPD) session on the College Financial Handbook as it had been added to the list of governor CPD themes.

The Chair asked management to review items with March 2026 target dates. The Chair highlighted that significant progress had been made on the matters arising actions with several actions closed at the meeting.

The Committee noted the report.

Resolved: The Committee noted the matters arising report.
Action: Management to review actions with a target date of March 2026. Director of Governance to close the action related to CPD on the College Financial Handbook.

5. Staff Voice Report

Ms Thornton provided an overview of the Staff Voice Report. She reported that:

- Staff Voice meetings continued to be held three times a year, with the first meeting of the academic year taking place in November 2025;

- meetings continued to be led by Staff Voice champions with an open agenda, allowing staff to discuss issues realistically and feel valued;

- several points were raised in the November round of meetings, including the need for more CPD for business support staff that were supporting curriculum during open days and a request for more seating areas at lunchtime;

- other improvements as a result of staff feedback included: implementation of queue busting measures to reduce waiting times, advance visibility of payslips for staff and the addition of a second bike shed.

The Committee noted the report and the You Said We Did report at Appendix 1. Members commented positively on the poster which provided a visual summary of feedback and action taken.

In response to a query, it was noted that when management were not able to implement recommendations the reasons were reported to staff and this was also explained on posters. Ms Thornton undertook to share examples in future reports.

The Committee the report.

Resolved: The Committee noted the Staff Voice Report.
Action: Ms Thornton to share examples of when staff suggestions had not been implemented in future reports.

6. Workforce Profile Data Report 2024/25

Ms Thornton presented the Workforce Profile Data Report for 2024/25 at Appendix 1. She reported:

- that the report provided a snapshot of the College staff demographics, highlighting that the College employed approximately 500 staff, with a split of 55% full-time and 45% part-time staff;

- on staff retention, highlighting that the staff turnover rate for 2024/25 was 13.5%, which showed improvement following the Board support for a recruitment and retention strategy through pay awards. However, more data would be required before a trend could be identified;

- sickness absence for 2024/25 was slightly lower than the previous year and the College had a good working relationship with occupational health service to support staff returning to work;

- staff ethnicity statistics included that the College's staff was 74% white compared to 86% of the local population and 58% of students. However, the ethnicity data was compared with the census date which now five years out of date;

- that it was unclear at present what data organisations would need to provide and how it would be measured for a statutory ethnicity pay gap report. To aid comparison, the average earning for Lancashire, published annually by the Council, had been used as a comparator;

- on additional information provided at the meeting on the ethnicity pay gap, highlighting that non-white staff were more likely to earn below the Lancashire area average compared to white staff which could be occupation based but would be further explored;

- that the report would be considered at the Equality and Diversity and Inclusion Working Group.

The Committee discussed the challenges for the College with management.

In response to a query on the ethnicity data, the Committee noted:

- that at present it still remained unclear how organisations would present ethnicity pay gap information, particularly organisations with relatively small numbers of staff;

- there were challenges with benchmarking against national ethnicity data as some areas could skew the data and for now the College focused on identifying any potential barriers and developing strategies to address them;

- the DfE were undertaking statistical testing to make sure information was comparable information;

- Ms Thornton would explore further to see if there was a reason why the number of staff with an ethnicity other than white, earnt less than the Lancashire County Council's published average salary;

- the College planned to start to explore collecting some more qualitative information to aid discussions and enable richer analysis.

Members noted improvements in retention and sickness compared to the previous year.

The Committee noted the report.

Resolved: The Committee noted the Workforce Profile Report 2024/25
Action: To explore further to see if there was a reason why the number of staff with an ethnicity other than white, earnt less than the Lancashire County Council's published average salary.

7. Management Accounts

Mr Mark Airey, Executive Director of Finance, presented the management accounts report. He reported:

- that the Management Accounts and related documents were at Appendix 1 and the commentary was at Appendix 2;

- on the projected surplus compared to budget;

- on income shortfalls year to date and additional costs and savings detailed in the report.

Members referred to the discussion with the College Management Team (CMT) at the recent Stakeholder Engagement Board Deep Dive on teaching staff sickness and the impact on staff workload when arranging teaching cover. In response to discussion with management, the Committee noted:

- the College was supportive of curriculum with considerable spending on agency staff alongside supporting requests for variable hours or casual help to support short and long term staff sickness. Curriculum areas had not been refused support;

- due to the increase in students, some staff were at 100% utilisation and the impact of this had been discussed at Executive Leadership Team (ELT) and CMT meetings and the need for a more sustainable model for staff utilisation had been recognised;

- that the Director of HR was working on a project with the Vice Principal Curriculum and Delivery which would be launched after Easter which would reduce pressures on systems and staff;

- that additional measures were being put into place to address this and reduce amount spent on agency staff, including setting up a cover directory for part-time staff to take on additional hours;

- that there would be a reduction in employer contributions to the Local Government Pension Scheme (LGPS) which would provide significant savings over the next three years which could be used to provide additional teaching cover including cover in 2025/26;

- budget planning in 2026/27 to improve the current situation for teaching staff and reduce reliance on agencies.

In response to a question on the reason for forecasting apprenticeships to be adverse to budget and the reasons for the decline in enrolments after increased enrolments at the start of the academic year. Mr Airey explained that:

- any adjustments required following the funding assurance audit would need to be included;

- although apprenticeship recruitment had better than expected in August and September it had fell short of targets in October;

- apprenticeship budgeting was challenging as different apprenticeships were worth different amounts and were for different lengths of time;

- the adverse to budget forecast would be the worse case scenario;

- apprentice budget setting for 2026/27 would be informed by the 2025/26 enrolments.

A staff governor provided insight into the challenges of estimating apprenticeship enrolment numbers each year.

In response to a query as to whether the LGPS reduction had been expected, the Committee noted that LGPS had completed a valuation three years previously and had been over funded. However, due to a deficit, the percentage employer contribution had not been reduced. Colleges had also benefited from the reclassification of colleges as public sector. The Committee noted that the College should benefit from annual savings from employer contributions but would plan for the pension contribution to increase again in three years. Mr Airey also updated the Committee on plans for the College to repay banking loans over the next three years.

Mr Airey reported that the College’s Department of Education (DfE) financial health grading for 2024/25 would be “Good” rather than “Outstanding” because unspent capital grants had to be classed as restricted cash. He reported that in any case, as previously reported, the grading of Outstanding would have been a blip relating to high cash balances.

The Committee noted that following discussion with the Chair, the KPI table now formed part of the Management Accounts report at Appendix 1 and other dashboards had been removed as part of ongoing work to streamline Board and committee packs.

The Committee noted the report and changes to the pack.

Resolved: To Committee noted the Period 6 financial position.

8. Fees Policy 2026/27

Mr Stott, Vice Principal Corporate Services, presented the Fees Policy for 2026/27. He reported that

- it was likely further changes would be required at a future meeting due to pending DfE information. However, in the interim a revised policy was required to be in place for 2026/27 for student recruitment and other purposes, including student loan companies;

- that the proposed changes to the Fees Policy were shown as track changes at Appendix 1.

The Committee approved the Fees Policy 2026/27, at Appendix 1, for recommendation to the Board.

Resolved: The Committee approved the Fees Policy 2026/27, at Appendix 1, for recommendation to the Board.

9. Travel and Expenses Policy

Mr Airey presented the new Travel and Expenses Policy at Appendix 1. He reported that rather than update the previous policy he had written a new policy as several changes were required.

The Chair highlighted that the previous policy had not been part of the College's rolling review of policies and recognised that the new policy included a commitment to review the Travel and Expenses Policy every three years. He queried if there were any other policies that were not part of the College's review process. It was noted that an updated Treasury Policy was required as it had not been required by the College for many years.

Management undertook to review if there were any further policies in operation in the College that were not on the list of policies for Board/committee review or the Board's schedule of delegation.

In response to queries the Committee noted:

- that at present there was not a different mileage rate for staff with electric cars and HMRC rates were used;

- staff mileage claims mainly came from staff visiting employers and apprentices and mileage claim costs were not as significant as in the past when the College had a number of outreach centres.

The Committee approved the new Travel and Expenses Policy for recommendation to the Board.

Resolved: The Committee approved the new Travel and Expenses Policy for recommendation to the Board.
Action: Management to review if there were any further policies in operation in the College that were not on the list of policies for Board/committee review.

10. Update on Capital Expenditure Works and Estates Strategy Progress

Mr Stott, Vice Principal Corporate Services, referred members to the Update on Capital Expenditure works and Estates Strategy Progress report. He reported on changes and progress since the last update, including potential savings on subsurface work for the sports pitch and additional costs for the electrical practical room due to end-of-life equipment.

The Committee discussed the report with management. In response to queries, the Committee noted that;

- savings for the pitch project were not yet known,;

- the new pitch required a tractor which could now be purchased with the project underspend rather than as an additional item.

Members highlighted feedback from staff and governors at the recent Board Deep Dive and queried discussed the possibility of allocating budget for creating further student spaces, possibly in stair wells, recognising the importance of providing safe and practical areas for students to congregate with phone charging units.

The Committee noted that:

- additional furniture had been purchased but could not be used in stairwells for health and safety and safeguarding reasons;

- additional phone charging units had been purchased for the Learning Zone and following positive student feedback, more units would be purchased;

- students had suggested several interesting ideas at the recent Student Voice Conference which would be considered;

- while considerable improvements have been made over the last few years, the demand for further improvements continued.

The Committee noted the spend and commitments against the Transformation Grant, College Condition Allocation, and core College cash capital budget.

The Committee noted the report and the Grant and College Capital Spend Period 6 at Appendix 1. The Chair recorded thanks to management for updating the report to include progress / changes since the previous update.

Resolved: The Committee noted the spend and commitments against the Transformation Grant, College Condition Allocation, and core College cash capital budget.

11. Budget Contingency Proposal 2025/26

Mr Airey presented the budget contingency proposal report. He reported:

- that the initial contingency approved on 3 July 2025, had been partially utilised for an enhanced pay award and additional insurances including cyber.;

- on a proposal to split the remaining contingency amount between additional in-year capital and revenue. The capital portion would be used to advance the IT infrastructure project, facilitating its completion within the current and next financial year. This would ease the workload for IT staff, allowing them to prepare over the summer. The revenue portion, would address forecasted overspends in curriculum consumables, maintenance, IT licences and marketing activities. He explained that the proposal aimed to ensure efficient use of funds, improve infrastructure, and support departmental needs;

- provision in the contingency for the Principal and Chief Executive recruitment process to cover agency costs and possibly relocation costs.

The Committee debated the allocation between capital and revenue and agreed to recommend the proposal to the Board.

In response to queries, the Committee noted;

- the IT expenditure listed would not cover all aspects of the ICT strategy, which would be considered as the next agenda item, and there would always be a rolling programme of IT updating and replacement;

- the data centre hardware would be replaced all at once but ongoing IT costs, such as licenses etc, would continue;

- that the College had permission from its bank to make the proposed changes.

The Committee agreed to recommend to the Board the proposed increase in the capital budget for 2025/26 and on the utilisation of the balance of revenue funding on the items listed in the report.

Resolved: The Committee agreed to recommend to the Board:
- **the proposed increase in the capital budget for 2025/26;**
- **on the utilisation of the balance of revenue funding on the items listed in the report.**

12. ICT Strategy

Mr Stott presented his report on the Information Communication Technology (ICT) Strategy. Mr Stott referred to the draft ICT Strategy 2026 - 2031, at Appendix 1.

The Committee noted that at the request of the Chair, a report on the Disaster Recovery as a Service (DRass) option had been added as Appendix 2 and a summary of the advantages and disadvantages of the different options had been added as Appendix 3.

The Committee discussed the importance of the proposed measures, acknowledging the fast-paced nature of technological advancements.

In response to queries, the Committee noted:

- likely implementation timescales and that the College would need to tender for the SOC contract;
- that Wbg, the College's internal auditors, had issued a report on risks in the sector and had highlighted cyber as the number one risk to the sector;
- the solution proposed would allow College systems to be back up and running within two hours;
- costs of anti-virus software.

Mr Stott responded to a query In on the longevity of the proposed solution given the recent fast paced development of AI.

The Committee agreed to recommend the ICT strategy to the Board, recognising its critical role in maintaining security and operational efficiency.

Resolved: The Committee agreed to recommend the ICT strategy to the Board.

13. Tribal EBS Procurement

Mr Stott explained the need for a five-year contract renewal for the Tribal EBS student record system due to new procurement regulations.

He reported that:

- the current system, in place for 26 years, was integral to College operations;
- Crescent Purchasing Consortium (CPC) had conducted a tendering exercise, scoring Tribal EBS highest among five providers;
- changing the system would require a three-year migration period, making a five-year contract reasonable.

The Committee reviewed the CPC Student Record tender scoring report at Appendix 1 and agreed to recommend the contract renewal to the Board.

Resolved: The Committee agreed to recommend to the Board the approval of the award of a five-year contract to Tribal Group for the continued provision, support and development of the EBS student records system, commencing 1 August 2026, via direct award through the CPC framework.

Resolved: The Committee noted the Workforce Profile Data Report 2024/25.

14. Gender Pay Gap Report 2024/25

Ms Thornton presented the Gender Pay Gap Report 2024/25. She reported that:

- the Gender Pay Gap Report 2024/25 for publication was at Appendix 1;
- publication was required as the College was a public sector body with over 250 employees;
- employee data had been split into the occupational groups to identify the biggest gaps;
- the College's gender pay gap for 2024/25 was 8.24%, which, as expected, had increased slightly from 2023/24 due to recruitment incentives in traditionally male-dominated areas like construction and STEM;
- staff in the colleges lower two quartiles were mainly female and mainly in part-time work or term-time only work which impacted on the College's gender pay gap;
- in response to questions raised when the last Gender Pay Gap Report 2023/24 had been reviewed, she had analysed the recruitment in female-dominated areas and it showed that male applicants were applying and being recruited at proportional rates to application numbers which indicated that there were no barriers in place;
- that the report included a comparison table with other Lancashire colleges, at Appendix 2, indicating that the College's pay gap was within the expected range;
- the report would be reviewed at the next Equality and Diversity and Inclusion Working Group meeting.

The Committee discussed the Gender Pay Gap Report 2024/25 and how the College's gender pay gap benchmarked with other colleges.

The Committee appreciated the detailed analysis which explained the reasons why the gender pay gap had not decreased. The Committee agreed to recommend the Gender Pay Gap report to the Board for approval for publication within the legislative timeframe.

The Committee noted the proposed actions arising from the Gender Pay Gap data.

Resolved: The Committee:

- **agreed to recommend to the Board for approval of the Gender Pay Gap Report at Appendix 1 for publication within the legislative timeframe;**
- **noted the proposed actions arising from the Gender Pay Gap data.**

15. Employment Policy and Procedure Review

Ms Thornton reported that several employment policies had been reviewed as part of the HR rolling review and reported:

- that the Parental Leave Policy, at Appendix 1, had been updated to comply with the Employment Rights Act;

- on limited use of the Parental Leave Policy since the last review;

- on proposed changes to the Performance Improvement Policy at Appendix 3 and there had been moderate use of this policy in recent years;

- on proposed changes to the Managing Allegations of a Safeguarding Nature Procedure at Appendix 5, which had not been applied as much in recent years because the Disciplinary procedure had been the appropriate procedure to apply in most cases.

- that the proposed changes were shown as track changes.

The Committee noted that the Parental Leave Procedure, at Appendix 2, and the Performance Improvement Procedure, at Appendix 4, had been provided for information.

In response to a query on potential impact of the changes on staff contracts, the Committee noted that all contracts included collective agreements agreed by the unions.

The Committee discussed the updates and agreed to recommend to the Board for approval the proposed changes to:

- the Parental Leave Policy, At Appendix 1;
- Performance Improvement Policy at Appendix 3
- Managing Allegations of a Safeguarding Nature Procedure at Appendix 5.

Resolved: The Committee agreed to recommend to the Board for approval:
- **Parental Leave Policy at Appendix 1;**
- **Performance Improvement Policy at Appendix 3;**
- **Managing Allegations of a Safeguarding Nature Procedure at Appendix 5.**

16. Foundation Living Wage

Ms Thornton presented her report on Foundation Living Wage (FLW). She reported:

- on a proposal to increase the lowest pay rate from £13.27 to £13.45 and taper increases in the next job family group to maintain pay differentials;

- maintenance of pay differentials was valued by staff;

- the rationale for the tapering, addressing a previous agreement with unions and the impact on different job roles.

The Committee discussed the financial implications, confirming that the annual cost included all tapering adjustments. The Committee agreed to recommend the implementation of the new pay rate to the Board.

Mrs Thornton undertook to add the numbers of staff affected to future reports.

In response to a query on spinal column points (SPC) to be adjusted, it was noted that the College worked with the unions and this would continue to be reviewed each year.

The Committee noted that some colleges did not make adjustments when implementing staff pay awards resulting in an erosion of pay differentials, but the College had continued the practice which had morale and retention benefits and also encouraged staff to progress through their job family group.

Resolved: The Committee agreed to recommend to the Board for approval:
• the implementation of the new FLW rate of pay i.e. £13.45 to SCP 9 with effect from 1 April 2026;
• to make a tapered adjustment to Spinal Column Points 10 to 15 as set out in Table 1 with effect from 1 April 2026 to ensure pay differentials are maintained.
Action: Mrs Thornton undertook to add the numbers of staff affected to future reports.

17. Risk Register - to Review the Risks on the Risk Register Related to Resources Committee

Mr Stott led the review of the Resources Committee related risks on the risk register, He reported on the cyclical nature of risks, which tended to decrease as the academic year progressed.

The Committee reviewed the Resources related risks on the risk register at Appendix 1 and:

- considered the format and completeness of the register, discussing the potential for merging risks and adding new ones. The Committee agreed that the highest risk, the risk of cyber attacks, was appropriately prioritised. The Committee noted that the new IT infrastructure would mitigate some of the IT risks;

- discussed the AI risk, highlighting the challenges and opportunities AI presented and that there were risks with developing AI and risks with not engaging with AI. Members discussed the importance of educating staff and students on AI usage and implementing guidelines. The Committee acknowledged the need for continuous monitoring and updating of AI-related restrictions and endorsed systems;

- ongoing CPD with staff and students on how to use AI;

- to make the risk related to business continuity more explicit and noted that implementation of the new ICT strategy would mitigate some of these risks;

- a view that, based on the discussions at the meeting, the funding risk during 2025/26 related to not achieving apprenticeships numbers rather than 16 to 18 and adult skills which was not reflected in the register. It was noted the Committee was reviewing the December version of the risk register and in the latest version the risk related to 16 to 18 numbers had been reduced;

- to consider whether the risk related to apprenticeship income was a significant material risk to the College budget;

- whether any income stream risks could be combined. The Committee noted the rationale for reviewing the separately;

- noted that some risks were cross committee risks e.g health and safety and the Committee's review of the register was a one off review as part of a review of the format and content of the risk register;

- that the Board Deep Dive would include an overview of the concepts of risk management and risk appetite and further discussion would then take place at Board meetings to determine the Board's risk appetite;

- the plan was for a task and finish group to consider the content and format of the risk register and the feedback from committees and advise the Audit and Risk Committee.

Resolved: The Committee reviewed the Resources related risks on the risk register at Appendix 1.

18. Items to be drawn to the attention of the Board

As most of the reports considered at the meeting would be considered by the Board, the Committee agreed that there were no further items to be drawn to the attention of the Board from the meeting.

Resolved: The Committee agreed that there were no further items to be drawn to the attention of the Board from the meeting.

19. Date of Next Meeting: 11 June 2026

The Chair thanked everyone for their participation in the meeting.

The Committee noted that the date for the next meeting was 11 June 2026.