

Brooklands College

Minutes of the Resources Committee meeting held at 8.00am on 9th November 2016,
Room MA1, Weybridge Campus.

Present:	Steve Brice Jerry Tapp Chris Brice Gail Walker	Chair Principal
Observer	Terry Lazenby	
In Attendance:	Christine Ricketts Shereen Samereshinghe David McLoughlin Josephine Carr	Deputy Principal Vice Principal Director of Business Development Clerk to the Governing Body

- Item 1** **Action in the event of fire**
R/11/16/1 Action in the event of fire was noted.
- Item 2** **Welcome and apologies**
R/11/16/2 Apologies for absence were received from Brian Harris. Quorate was confirmed.
- Item 3** **Declarations of interest**
R/11/16/3 There were no declarations of interest.
- Item 4** **Minutes**
R/11/16/4 The minutes of the meeting held on 22nd June 2016 were approved as a correct record.
- Item 5** **Matters Arising**
R/06/16/5 The Committee received and noted the paper on matters arising.
- Item 6** **Capital Projects**
- Item 6.1** **To authorise expenditure of capital items within the Committee's limits of financial authority under the College Financial Regulations.**
R/11/16/6 There were no items requiring Committee approval
- Item 7** **Finance – for discussion**
- Item 7.1** **July 2016 Year end position management accounts**
R/11/16/7 The Vice Principal advised the meeting that the year-end management accounts circulated on Monday reflected any comments from the External Audit visit. These show an operating surplus of £86,000 (before exceptional circumstances). This compares favourably to the operating loss reported in 2014/15. The Vice Principal thanked the BMU team for ensuring all learner data had been correctly inputted for 2015/16.
- R/11/16/8 The final accounts with the accompanying statements from the Internal and External Auditors will be presented at the Joint Audit and Resources Committee on 30th November. The Governors thanked the Vice Principal and the Finance Team for their hard work in producing such a positive position.
- Item 7.2** **September 2016 Management Accounts**
R/11/16/9 The Vice Principal advised the meeting that the cost of agency staff expenditure is being closely monitored. The budget is greater than last year but lower than the actual figure for 2015/16.

There are currently 14 vacant posts in the College. The range of roles is varied and the number is a little higher than usual. SLT review every vacancy/recruitment request and have, where possible, delayed recruitment for both operational and financial reasons.

R/11/16/10 At this stage it is not possible to quantify any savings in energy costs at Ashford. These amounted to £350,000 in 2014/15 and 2015/16. However, the Hair and Beauty Department are still based in a Portakabin and so effectively there are 3 premises. Thus a cautious approach regarding any possible savings is being maintained for 2016/17. It is anticipated that Hair and Beauty will not move to their new facility until 2020 and then the College will be required to pay a ground rent for the facility (a ground rent is not paid for the Portakabin facility).

At year end 2016/17, the Finance Team will compare the annual energy costs for the old Ashford campus compare to that of the new facility at Thomas Kynvett. This will better inform the budget process going forward.

Item 7.3 Financial Strategy

R/11/16/11 The paper is an updated version of that presented to the February meeting by the Interim Vice Principal. The format has been designed with an overview document supported by a series of appendices which will be regularly updated (usually annually).

The meeting asked the Vice Principal for clarification regarding delivering a small operating surplus (target 3% by 2020) and generating sufficient income for investment in facilities. A more detailed definition of surplus was requested. **Action** Vice Principal

R/11/16/12 The meeting were advised that the two year plan had been prepared specifically with regard to the ABR process and SFA return which were submitted earlier in the summer. These will be updated shortly once the 2015/16 figures have been confirmed.

R/11/16/13 Typographical error P2 – fourth bullet point should read “submitted a grant application to the LEP”.

R/11/16/14 Chris Barlow questioned the margins regarding franchise/apprenticeship work. The average is 15.5% and this ranges from between 15-30% dependent upon the company and number of trainees. The largest partner CEL is closer to 15% but BMU is constantly looking to extend and diversify its provision.

Chris Barlow asked if the College was confident of these margins going forward with the introduction of the levy and counselled caution.

Chris Barlow enquired regarding the pension deficit prediction for the next 5 years. The contributions are set by Surrey CC and the College has made reasonable provision for these. Chris Barlow asked that assumptions made regarding matters such as pension deficits, the apprenticeship levy and sub-contracting are added to the appendices supporting the financial strategy. These will need to be updated each year. Action Vice Principal

R/11/16/15 A discussion then ensued regarding whether the Financial Strategy needs a forecast and sensitivity analysis. The appendices underpin the Financial Strategy by outlining how the College will achieve its financial aims. The College currently allows for 2% inflation, Steve Brice suggested that this should be 3% given current Bank of England forecasts. The meeting agreed that inflation was not the most significant financial risk for the College and agreed to leave the provision at 2%.

R/11/16/16 The Vice Principal advised the meeting that the Finance Department has its own Risk Register. All action points, other than those specifically relating to the year-end accounts have been actioned. The year-end actions will be have been addressed by the Joint Audit and Resources Committee meeting on 30th November when the final accounts and accompanying statements are presented.

R/11/16/17 Subject to the clarification and comments above, the Committee recommended the revised Financial Strategy to the Full Board.

Item 8 Quality Improvement Plan Update

Item 8.1 Aim 2

R/11/16/17 The Director of Business and Marketing reported that all items in the QIP had been designated green at year-end. Highlights include:

- Employers had reported a 93.3% satisfaction rate with Brooklands
- More than 50% of providers had achieved higher than expected
- The apprenticeship success/achievement rate of 92.2% overall places Brooklands in the top 5% of Colleges nationally. 16-18 year olds 95.9%.
- BMU continue to seek and build new relationships/partnerships

R/11/16/218 The meeting noted some inconsistencies within the QIP:

- Contact 250 companies in Surrey
- Identify 30 new companies to work with
- Visit 10 new companies
- 10 local employers to upskill staff (local community effectiveness)

The Director of Business and Marketing agreed to avoid such apparent inconsistencies within the 2016/17 QIP.

Item 8.2 Aim 3

R/11/16/19 CAFM has not progressed as had originally planned, principally due to the building works and electrical problems. Staff will be reminded of the need to use this CAFM system for reporting facilities problems. Action: Vice Principal

R/11/16/20 Staff vacancies: Changes to the HR website are scheduled for next month. The target for all staff to have Level 2 numeracy and literacy has not been achieved but significant progress has been made towards this target in 2015/16.

R/11/16/21 QIP for 2016/17 will be finalised once the SAR process has been completed and presented to the December FGB

R/11/16/22 China project update: a Chinese delegation visited the College for a morning before going onto Oxford Brookes three weeks ago. Brooklands will undertake another visit in July 2017 if British Council funding is available. Discussions will continue with a realistic perspective that they may not amount to any student placements. Oxford Brookes employed a member of staff at Pro-Chancellor level to develop their Chinese links and the whole process consumed time and resources which Brooklands does not have.

Item 9 Enrolments: discussed after Item 10

Item 10 Business and Marketing Unit Update

R/11/16/23 The Director of Business and Marketing Unit presented his report and advised the meeting of his Team's disappointment in not meeting the 16-18 apprenticeship growth target. With Adult Apprenticeships some 140 learners were not accepted by the College because they were considered to be at high risk of not achieving completion of an apprenticeship.

R/11/16/24 The Unit is very pleased with the traineeship and apprenticeship achievement/success rates for 2015/16. Whilst the College has closed the gap with regard to the achievement rates of subcontractors, some sub-contractors have out-performed this year as well.

Excellent feedback has been received regarding traineeships and the College is looking to increase the number again this year. Traineeships are a Government priority.

R/11/16/25 There has been a significant increase in student loans with particular interest from 19+ learners. The College will be bidding for additional funds at the end of November. A

number of Level 3 Health and Social Care Diploma students whose course fee is some £3,000 use the Student Loan system. There has also been an increase in the 12 week make-up course. Personal training courses are also a particular growth area.

R/11/16/26 With the new rules regarding the provision of apprenticeships, the College is applying to join the Register of Apprenticeship Providers. For non-levy apprenticeships there is a fund which Colleges may bid for (maximum £5M per College). Twelve days ago the Government announced, in response to the consultation responses, that apprentices aged 16-18 employers placed with companies with less than 50 employees would be fully funded and not subject to the apprenticeship levy.

R/11/16/27 The January Governor training session (18th or 25th) will include a session on the changes regarding apprenticeships.

The meeting thanked the Director of BMU for his report.

Item 9 Enrolments

R/11/16/28 16-18 years olds: Target = 1,807 current actual = 1,546
However, enrolment continues throughout the year and a further
50 High needs students
40 Prince's Trust
20 Head Start
60 tba

R/11/16/29 Apprenticeships
16-18: 543
19-23: 188
24+: 633

R/11/16/30 Adult Learners 533 – more are recruited each term
HE 48
Full cost other 888

The Principal is relatively happy with the number of students but has some concern regarding the reduction of adult learners, but some of these may now be included in the "full cost other" because of the increased number of students accessing the loan provision. Action: The Principal will try and ascertain if adult student numbers have dropped in other colleges.

Item 11 Health and Safety Report

R/11/16/31 The Committee noted the report regarding reported accidents during the year. The number of recorded incidents in 2015/16 was 60 compared to 72 in 2014/15. The Governors asked for assurance that all incidents were reported and that all staff were aware of the reporting process. The recent staff survey reported that 93% of staff know how to report a Health and Safety issue or accident. The Health and Safety Officer is on a phased return to work and will hopefully be able to provide a term on term analysis of reported incidents. The Vice Principal confirmed that actual incidents/accidents are recorded as opposed to when first aid was required.

R/11/16/32 Any Health & Safety incidents which occur on the Contractors' building site are not recorded by the College. This is a requirement of the Contractors. The Governors asked the Vice Principal if they may see these reports. The RIDOR return is presented at the summer term meeting.

Item 12 Committee Self-Assessment 2015/16

R/11/16/33 The Committee agreed to use the updated questionnaire (in line with the Audit Committee's recommendations) and to undertake the assessment immediately after the meeting.

Item 13 Chair's business

Item 13.1 Review of committee business for merging risks

R/11/16/34 The Bank of England projections regarding increased inflation should be added.

R/11/16/35 It appear that the skills review suggested by the Sainsbury Report will go ahead and so this is a positive outcome.

Item 15 Any other business

R/11/16/36 **Shared Services in Sussex and Surrey Colleges (SISSC)** The Principal reported that Grant Thornton were commissioned to undertake a review of this project and its viability going forward. The draft interim report suggests that the project is incredibly expensive in comparison to the level of provision and that the recommendation is that SISSC does not go forward in its present forward.

R/11/16/37 There is a meeting of Financial Directors of the SISSC Colleges on 1st December after which more should be known regarding the individual college perspectives. Brooklands is contracted to SISSC until 2017. The Cloud space with UCL is contracted until 2020. Governors asked why the time periods of these two interlinked contracts did not match.

R/11/16/38 The Principal advised the meeting that East Surrey and NESOT were will to work together regarding financial and HR services but not necessarily share services. The Principal will provide an update for FGB

Item 16 Dates of next meetings

Joint Audit and Resources Committee: Wednesday 30th November 2016 at 8.00 am

Wednesday 9th March 2017 at 8.00am

Decisions:

1. Subject to the clarification and comments above, the Committee recommended the revised Financial Strategy to the Full Board.

Action Points

1. Clarification regarding generating an operating surplus and generating funds for investment in facilities and a clearer definition of surplus (i.e. cash or paper): Vice Principal
2. Assumptions made regarding pension deficits, Apprenticeship levy, Sub-contracting et al be included in the appendices: Vice Principal
3. The Director of Business and Marketing agreed to avoid such apparent inconsistencies within the 2016/17 QIP regarding new companies
4. Staff will be reminded of the need to use this CAFM system for reporting facilities problems.
Action: Vice Principal
5. The Principal will try and ascertain if adult student numbers have dropped in other colleges.
6. The Vice Principal will bring Contractor Health & Safety reports to the next meeting.
7. The Bank of England projections regarding increased inflation should be added to the risk register
8. Provide a SISSC update for the December FGB

Chair:

Date :