

RESOURCES COMMITTEE

Part One

DATE: WEDNESDAY 2 MARCH 2022

PLACE: Meeting held VIA ZOOM

TIME: 6.00pm.

PRESENT: Fred Gray Chair of Resources Committee
 Andrew Baird Chair of the Corporation
 Melanie Harding Governor
 Hilary Omissi Governor
 Christine Ricketts Principal & CEO

IN ATTENDANCE Sarah Glasspool, Executive Director of Finance, Resources & People Performance
 Steven Dowbiggin, Estates Advisor & Consultant

Natalie Watt (Clerk to the Corporation)

STANDING AGENDA ITEMS	Action By
<p>1. Action in the Event of Fire Meeting held via ZOOM.</p> <p>2. Welcome & Apologies for Absence</p> <ul style="list-style-type: none"> The Chair of the Resources Committee welcomed attendees to the meeting. The Clerk confirmed that all those on line were able to fully participate in the meeting. <p>Apologies Lee Chantry, Staff Governor Chris DEARNLEY, ESFA Observer</p> <p>3. Declarations of Interest</p> <ul style="list-style-type: none"> Andrew Baird declared his current position as Chair of Orbital Colleges. Melanie Harding declared her current role in the Department for Education, as Project Director for School Rebuilding Programmes. <p>4. Notification of Any Other Business</p> <ul style="list-style-type: none"> None. <p>5. Part One Minutes of the meeting held on 24 November 2021</p> <ul style="list-style-type: none"> The minutes were amended to reflect the declaration of interest made by Meanie Harding at the time. The minutes of the meeting were agreed as a true and fair representation of the meeting subject to the above amendments and were APPROVED. <p>6. Matters Arising from the meeting on 24 November 2021. Item 6 – Minute - Update on minutes reference made. Item 6 – Disaster Recovery Plan – The EDFR&PP advised the Committee that this item remained outstanding. Focus had instead been moved to a Business Continuity Plan. The Plan was due to be audited in May 2022 and any recommendations relating to this area would be reported back to the Resources Committee in due course. Noted.</p>	<p>EDFR&PP</p>

Item 9 – Sub Contracting – The Chair of the Corporation confirmed that the College was not approved for any subcontracting at this stage. The Principal & CEO advised the Committee that direct provision of Apprenticeships was improving significantly and it was anticipated that the college would exceed its target in this area by the end of the academic year. Members endorsed the focus on direct provision.

Item 9 – Management Accounts Format – The EDFR&PP confirmed that the new format had been used for the current report on the agenda.

Item 12 – Health and Safety Report Format – The EDFR&PP confirmed that the format had been amended as requested. See agenda item.

Item 12 - TOR Estates Working Group – On Agenda.

Item 13 Draft Work Plan Update – On Agenda.

Update RECEIVED.

Items for Information, Discussion & Approval

7. **Draft Financial Statements (& Outline Post Audit Management Letter) for 2020/21** - Presented by EDFR&PP

Items discussed:

- The Committee were informed that a third draft of the Financial Statements had been produced with a clearance meeting scheduled for the 11th March 2022. It was anticipated that the final version would be available for finalising as soon as the ESFA had agreed the repayment arrangements.
- The EDFR&PP confirmed that 3 years of Financial Statements would be ready for signature once the accounting of the repayments had been processed.
- It was noted that changes to previous years Financial Statements were time consuming. It therefore been decided that all the changes related to the repayment agreement would take place once the arrangements were ready for submission for approval to the Corporation. Noted.
- The Chair of the Corporation advised the Committee that he was working with and being advised by other Members of the Corporation who had significant appropriate expertise in the areas subject to negotiations.
- The Committee were however advised that both parties were required to obtain legal advice and sign off prior to any submission to the Corporation.
- It was anticipated that this matter would be resolved by the date of the Summer Term Corporation meeting.
- The Committee noted the significant progress being made with the Estates Strategy which would have a positive bearing on any arrangements proposed.

Report RECEIVED.

8. **Management Accounts January 2021/22** – Presented by EDFR&PP

Items discussed:

- The Management Accounts for January were summarised by the EDFR&PP. The Committees attention was drawn to the following:
- The operating surplus showing £113k year to date, this is £66k more than the budgeted surplus of £47k. This is mainly a result of a reduction in AEB income and Tuition fees less than plan, more than matched by a pay cost underspend of £245k due to phasing and vacancies.
- The forecast for the end of the year shows £74k deficit, £167k less than the budgeted surplus of £93k, this is due to reduction in projected AEB and Tuition fees as well as reduction in the Teachers' Pension Scheme grant from the ESFA.
- The Committee noted that the AEB income is showing £200k less than planned YTD, and that there is £526k yet to be obtained between February to July to achieve the forecast of £800k.
- The Committee also noted that the forecast has been reduced by £149k to take this risk into account.

- The EDFR&PP also drew to the Committees attention that the co-funded income is not expected to achieve plan and the forecast has been reduced.
- The Committee were advised that the College is expected receive the results of the Transformation Bid Funding on the 9 March, following which the cash-flow will need to be reviewed.
- Members noted the good performance on cash but suggested that the profiled deficit needs to be zero if possible. It was further noted that the balancing of the budget to accommodate the reduction in the deficit of £74k should be achievable in light of the overall budget of £11m.
- The Committee endorsed the new format of the management accounts and sought assurance that the worst-case scenario had been included in the report.
- The EDFR&PP advised the Committee that the worst-case scenario of known items had been included. The Committee noted that in general they felt more informed about the finances and in year position and that the move away from subcontracting was having a beneficial impact on forecasting an accurate position.

Management Accounts RECEIVED and recommended to the Corporation for Approval.

9. Draft Budget Report – Presented by EDFR&PP.

Items discussed:

- The Report was presented to the Committee. The EDFR&PP advised the Committee that where information was confirmed and known that these assumptions had been built into the proposed plan.
- The Committee noted that at present in the draft a surplus position was being forecast and endorsed this as an aim for future budget planning.
- The EDFR&PP informed the Committee that the draft incorporated the new allocation of funding for 16-19 study programmes. This was evidenced, in the increased income predicted.
- In real terms, the number of students used for calculating the funding allocations, related to only a modest increase in student numbers overall. This was felt to be a more realistic basis on which to predict income. The Committee endorsed this prudent approach to predicting future income.
- The Committee discussed the proposed pay rise (elsewhere on the agenda) and queried whether this had been factored into the draft.
- The EDFR&PP advised the Committee that the draft did assume the proposed pay rise is approved.
- The Committee discussed at length the impact on non-pay costs of inflation and specifically the expected rise in energy costs.
- It was agreed that a watching brief needed to be maintained on these areas, however, it was accepted that the College had little control over their impact where contracts applied.
- The Committee discussed the impact of changes in tuition fees and the Principal & CEO confirmed that the impact had again been factored in at a modest level. The Committee were advised that direct apprenticeship delivery was recruiting well in year. It was anticipated that the College would exceed its target in direct apprenticeship provision by the end of the current academic year. The Principal & CEO and the SLT were congratulated on their progress in this area.

Report RECEIVED and FEES POLICY recommended to the Corporation for APPROVAL.

10. Financial Policies – Presented by the EDFR&PP.

Items discussed:

Fees Policy Review.

- The EDF&PP advised the Committee of the reasons for the changes in some areas noting that this was down either at the request of staff for clarity or to comply with the Office for Students requirements. Noted.
- The Committee expressed their appreciation for the clarity of the report in particular noting the helpfulness of the proposed changes being tracked in red and therefore clearly identifiable.
- It was agreed that this format would be retained for all policies where a review had been undertaken. It was agreed that this would include the submission of the policy to the Corporation for approval.

The Fees Policy was APPROVED for recommendation to the Corporation.

11. Appointment of External Auditors – Presented by the EDFR&PP

Items discussed:

- The Committee were informed that the Audit Committee had received the request for an extension to the contract period due to the exceptional circumstances. They had considered the issue and proposal and were recommending it to the Resources Committee and Corporation.
- The Chair of the Corporation confirmed that he had spoken to the ESFA liaison officer who had endorsed the view that the proposal was a pragmatic solution in light of exceptional circumstances (namely the extended time being taken to sign off on the Financial Statements due to protracted repayment negotiations).
- It was agreed, that the College would proceed with the appointment, taking the recommendation to the Corporation for approval.
- The EDFR&PP was advised to update a report accordingly with the assurances and endorsements.
- It was noted that the EDFR&PP may seek additional written agreement from the ESFA in due course.

EDFR&PP

The extension to the External Audit Contract was APPROVED for recommendation to the Corporation.

12. Health & Safety Termly Report 2021/22 – Presented by the EDFR&PP.

Items discussed:

- The EDFR&PP confirmed to the Committee that the changes in format requested at the last meeting had been incorporated into this report. Noted.
- The Committee was advised that the number of incidents and accidents had increased as was expected following a return to site for all parties.
- In addition, a popular and easily accessible google form had now been introduced which had streamlined and improved the reporting process for all users.
- Members attention was drawn to the number of staff who had tested positive for Covid.
- The Committee were advised that the Health and Safety Administrator had now been appointed which it was felt would provide some much-needed additional support.
- The Committee noted that none of the accidents reported for RIDDOR reportable. The Committee did comment on the usefulness of the contextual information and how and when the data could be used to target efforts to improve further still.
- It was noted that the flagging up of near misses would provide useful triangulation for this purpose.
- The Committee discussed the recent impact of the storms and the damage sustained on site.
- The EDFR&PP advised the Committee that the on -site teams had provided excellent support across the board.

Health and Safety Termly report RECEIVED.

13. People Performance & Development, Interim Report 2021/22 – Presented by the EDFR&PP

- Items discussed:

Brooklands College

- The Committee noted the significant underspend in this area and were informed that this related to a combination of reasonably high vacancies but also efficiencies.
- Members attention was drawn to the SLT forums held across the sites.
- The Committee were informed that one of the main themes of the feedback was staff's unhappiness at 5 years of no pay rises. During discussion it was noted that Brooklands had some distance to travel to meet match pay scales for comparable organisations.
- Discussion followed over the costs of living and proposals regarding a cross college pay increase for all staff.
- The Committee were advised that further work was needed to address issues with lower paid staff and the need to undertake a review of support staff roles, especially in light of additional digital requirements on many of these posts.
- The Principal & CEO discussed with the Committee the need for greater utilisation of the site, it was agreed that any review also needed to consider more flexibility for maintaining an open site across the existing non-term time closures.
- Members discussed the recruitment and retention of staff and noted the challenges in both these areas.
- The EDFR&PP drew to Members' attention the exit interviews and process and the Committee were informed that a range of reasons were given for leaving Brooklands College employment.
- The Principal & CEO informed the Committee that there were currently 3 Members of staff on long term sick.
- Discussion followed on the recent staff survey.
- The Principal & CEO confirmed that an additional survey had been launched inviting comments etc. the SLT had been pleased to note that 83% of staff felt they were supported by their Manager.
- Following discussion, the Committee confirmed that they fully and unanimously supported the recommendation to the Corporation that a cross college pay award be considered.
- The Committee also approved the proposal by the Principal & CEO to review the terms and conditions of support staff.

Report RECEIVED and recommendations APPROVED.

**Principal
& CEO**

14. Management Information Systems – Presented by the EDFR&PP.

Items discussed:

- The EDFR&PP informed the Committee that this was the first time a specific report on MIS had been submitted.
- Committee were invited to make comments on the format and style of the report either during or after the meeting.
- The Committees attention was drawn to the summary contained in the report and the new appointments that had been made in this area since April 2021.
- Discussion followed on the roll out of new systems and Members were informed that there had been considerable teething problems at the start. However, a highly successful and positive user group had now been formed and cross college staff were working hard to resolve any issues that were being flagged up.
- Members were advised that a successful audit of MIS had been undertaken in the Autumn Term.
- The Principal & CEO reminded the Committee that a consultant had been employed to provide expertise and support during this first year of operation.
- The SLT acknowledged that the transitioning to the new systems had been challenging and ambitious but staff had accepted that it would provide significant rewards when complete and fully utilised.
- Members of the Committee discussed how the new system skills would be disseminated throughout all staff. The Principal and CEO confirmed that there was an intention to train key staff to be champions in the systems used. It was anticipated that they could then provide on the ground support to end users of the systems.

- The EDFR&PP informed the Committee that she was hoping that a dashboard would be available for staff and governors by the end of the current academic year.
- Members of the Committee challenged the EDFR&PP on her level of confidence in meeting this target and were assured it was high.
- Members of the Committee proposed that an evaluation of the systems and their impact in the areas concerned, would prove helpful and provide assurance that the roll out had been successful.
- The Committee endorsed this proposal to interrogate the effectiveness and analysis the impact of the systems.
- The EDFR&PP agreed that this would be reported upon in due course as part of the regular MIS reports.
- Following discussion of the format of the report, the Principal & CEO proposed that examples of MIS reports from other colleges be sought for comparison purposes This proposal was endorsed by the Committee.

EDFR&SS

Principal & CEO

Report RECEIVED.

15. Estates Update – Presented by the EDFR&PP

Items discussed:

- The Committee was provided with an oral summary of the report.
- The Committee noted the potentially significant increase on estates costs resulting from the rise in utility costs expected from the 1st April 2022.
- Members queried whether this expected increase had been built into the existing forecast. The EDFR&PP advised the Committee that it had not yet been included but that this work would take place as soon as possible.
- It was agreed that this area would be kept under close scrutiny. The EDFR&PP commended the performance of the cleaning contractors who had worked hard with the College to increase provision and maintain reasonable costs during Covid.
- The Committee noted the scope and range of support provided by the Estates Team across the College and expressed their appreciation for the quality of service provided. This was particularly significant given challenges in staffing during this period.
- Members noted the scope of the work on the existing estate and sought reassurance that this was money well spent in light of the development proposals.
- The EDFR&SS advised the Committee that the Estates Advisor and Consultant was working closely with the Director of Estates and Facilities, to ensure, that where the work was undertaken it complemented the proposed development works.
- Efforts were being employed to ensure that no resources were being wasted on areas where they would later need to be deconstructed or moved.
- The Principal & CEO informed the Committee that the Estates and Facilities Team were considered to be a significant asset to the College.

EDFR&PP

Report RECEIVED and Recommendations APPROVED.

PART TWO

16. Any Other business

- i) **Terms of Reference** – **RECEIVED** no changes confirmed.
- ii) **Update Work Plan** – **RECEIVED**. It was agreed that a termly report on Management Information Systems would be included in the work plan.

Clerk

17. Date of Next Meeting

- **Wednesday 15th June 2022 at 6pm Via ZOOM.**

Signed By: _____

Date: _____