

Meeting of the Resources Committee

MINUTES (Part 1)

Items to be considered confidential on the grounds of commercial or personal sensitivity are highlighted for later redaction from the published minutes

Date	Tuesday 13th June 2023
Time	18:00 to 20:20
Location	Via Teams
Present (Governors):	Fred Gray (Committee Chair) – from 18:20 Ian Carey (Support Staff Governor) Melanie Harding Craig Mahoney (Designate Chair of Corporation) Christine Ricketts (Principal and Chief Executive) Barbara Spittle (Acting Chair of Governors) (Item 1-3 only) Paul Stedman
In attendance	John Hunt (Deputy CEO and Group CFO, London South East Colleges) – briefing. Ashok Patel (Interim Executive Director Finance) Andrew Russell (Executive Director, Student Support and Stakeholder Relationships) Graeme Baker (Executive Director Curriculum) – pre-meeting briefing Donna Wall (Head of People) – item 3 Nolan Smith (Estates Project Manager, Fusion) – item 4 Jordi Garcia (Logixx) – Item 6 Melissa Drayson (Director of Governance)
Apologies for absence	None received
Quorum	The meeting was quorate throughout

Item	Action lead
0. Committee briefing on Curriculum Efficiencies project <i>Presentation by John Hunt, Deputy Group CEO and Group CFO, London South East Colleges.</i>	

As Fred Gray was running late, the meeting was started by Paul Stedman.

The visit had been positive for both parties, and LSEC had offered further support. Key findings were that limited progress has been made to implement the actions arising from the original CEFS review in February. A more detailed action plan that had been provided to cover a number of key areas and assist the College to make progress to implement the required improvements.

Overall, there were 30 recommendations, grouped into four areas: curriculum planning and budgeting; timetabling; staff utilisation and 4Cast (software that calculates course contributions and viability)

The accuracy and use of Management Information still needed to be more consistent. The report set out some key actions to improve data relating to financial efficiency and key performance metrics. Many of the actions were considered to be 'quick wins'. Together they should have a significant impact on financial performance, data quality and quality improvement.

Governors raised the following questions:

- *Have the cost improvements arising from the actions been quantified?* Management explained that the FE Commissioner had attempted to cost out the savings, but this was a difficult task. Actual savings would begin to come through in the management accounts in the next 12 months, following the reduction in the number of teaching groups
- *What will be the changes in groups size:* In 2023-24, the target would be an increase from 16 in vocational areas, 20 in English and Maths and from 8 to 10 in SEND classes. It was recognised that there was no one-size-fits-all, with some subjects being limited by workshop space and teacher to student ratios.
- *Are the timescales realistic for implementing the recommendations?* Although the total number seemed daunting, the recommendations grouped together naturally. Some would be completed in the next two months as part of next year's curriculum planning process, with others being fully implemented in 2024-25.

John Hunt was thanked for the report, recommendations and support to the college.

Fred Gray joined the meeting and took the chair.

1. Preliminary items

1.1 Welcome and apologies for absence

The Chair welcomed colleagues to the meeting. There were no apologies for absence

1.2 Apologies for absence

No apologies were received

1.3 Declarations of interest

There were no new declarations of interests relating to matters on the agenda. Previously declared interests were carried forward.

1.4 Urgent other business notified in advance

Two items of confidential other business would be raised:

- a) The appointment of the Chief Operating Officer
- b) An update on the historic fraud investigation

2. Minutes

2.1 The Part 1 and Part 2 Minutes of the meeting on 7th March 2023 were **APPROVED** as an accurate record for signing by the Chair

2.2 Matters arising

Supporting paper by the Director of Governance

It was noted that the all actions from the previous meeting had either been completed, or were on the agenda.

3. Annual People Report

Supporting paper presented by the Head of People

The Committee commended the new report format. Headlines were reported and discussed:

- Length of service increased with the age of the employee. Further analysis was needed as to why younger employees were more likely to leave after a short time
- 72 staff had been recruited since August. Out of 90 vacancies, 44 posts had gone out to second advertisement.
- With 66 staff leaving since August, the college turnover was over 2% above the AOC national average, and just over 1% above the Southern region average. The top reasons for leaving were a job change, moving out of the FE sector, personal circumstances and end of Fixed Term Contract. Staff turnover had slowed down in recent months.
- Short-term absence had peaked in September and March, but April and May figures were lower. The most common reasons for absence were minor infections and illnesses, with nearly a quarter being due to coughs, colds and flu. Three staff were recorded on long-term sickness absence
- A number of actions had been implemented off the back of the staff wellbeing work undertaken during the year.
- Staff groups had contributed towards the development of the Brooklands Track, participating in workshops on values and behaviours which would form the basis of a college pledge.
- The HR team had been expanded resulting in more timely responses to casework and resolution of issues. This was having a positive impact on staff satisfaction and relationships.
- Onboarding and offboarding policies and practices had been reviewed and developed. A decision had been made to strengthen the DBS process and all staff will have a valid DBS check prior to starting work.
- Seven staff grievances had been dealt with during the year. Six had been resolved and one was outgoing
- One staff suspension had been resolved, and one capability process was in progress.
- An increased number of flexible working requests had been received; this was a positive development.

Governors thanked the Head of People for a comprehensive report

The improvement in staff satisfaction was discussed. Staff present confirmed that there was a more positive culture, and that managers felt supported with HR issues.

A question was raised about the apportionment of the costs of Training and Development. It was clarified that a high percentage appeared under Leadership as the CPD budget fell within this cost centre. Most of this related to quality improvement work and safeguarding training. It was agreed that a more detailed analysis would be needed to identify the type and recipients of CPD in this category. It was noted that HR did not currently manage CPD. Feedback was provided by the Staff Governor that it would be helpful to access all staff information on one system.

The Principal supported the positive developments that had taken place, and the work done to integrate the new HR team and to ensure that their work focussed on the college's strategic priorities. Data would continue to be compiled monthly for management team meetings.

4. Estates and Facilities report

Supporting paper presented by the Estates Project Manager and Principal CEO

An update was received on progress with the summer works:

- Vickers refurbishment (SEND). Confirmation of funding had been received from Surrey County Council for the full sum. This covered the net contract cost plus a contingency. Following a tender process, the successful contractors would start work on site on 26 June, with an occupation date of 2nd September. The new lift would be installed by 20th Sept. A tender process had been undertaken for furniture, which was within budget.
- Locke-King T Level scheme. A tender had been awarded following discussion at the Estates Working Group with a completion date of September. All tenders were originally higher than the approved budget but savings had been found by eliminating parts of the build that were not required.
- Edge building refurbishment. A RIBA 4 assessment had been undertaken for the whole building, and tenders invited for the whole building and the first floor, with the first-floor element being the critical factor. A competitive proposal had been received from the same contractors as the Locke-King scheme. Confirmation had been received from the insurers about the settlement figure following the flood, which would cover the costs of refurbishing one laboratory. This did not, however, cover roof repairs or damage to electrical works. The college had now approached the ESFA regarding the early release of FE Capital Transformation Fund (FECTF). The ESFA and LocatEd would be meeting soon to discuss the claim.
- A member of the Fusion project management scheme would be on site for two days a week for the duration of the summer works.

Governors were then updated on the latest position with the planning application. The public consultation would be continuing until 23rd June and had, so far, received over 100 letters of support and four letters of

objection. Following the closing date, the college would receive a summary of concerns arising from the consultation. There had been one statutory objection which, it was thought, had arisen from a misinterpretation of the plans for Heath Drive.

There was discussion of political concern about breach of greenbelt policy. This would be managed by reinforcing the messages around viability, jointly with the DfE. Meetings were planned with senior officials at Elmbridge Council as part of this drive.

The Principal reported on the work underway with the Weybridge Society on the launch of the arts festival on 16th June. This would provide a further opportunity to speak to councillors about the project, answer questions and rectify any misunderstandings. It was recognised that most of the questions raised to date had been answered in the planning statement in detail and that councillors should be directed to read this.

It was agreed that the post-consultation report would be shared with the Estates Working Group on 5th July if it was received by then.

5. Health and Safety Termly Report

Supporting paper presented by the Principal and CEO

A consultant had been engaged to produce the detailed evaluation of Health and Safety in the college, and had subsequently been secured on a 3 day pw contract to oversee the implementation of actions with the new Head of Estates.

The Committee noted, with thanks, that Paul Stedman had agreed to take on the role of Health and Safety Link Governor. He had had early sight of the report and had agreed with the Principal and CEO that the action list would be closed down as a matter of urgency. He was also keen to promote a Health and Safety philosophy throughout the college to ensure consistency in implementing basic systems and processes. A further meeting was planned for 6th July to assess progress and establish next steps. The Senior Management Team would play a key part in disseminating key messages.

Governors expressed concern about some high-risk areas that required improvement, but were also reassured that issues had now been identified and would be addressed without delay.

The Health and Safety Committee would be relaunched, with representation from each curriculum and support area.

AGREED: That a further update would be brought to the Corporation meeting on 12th July

6. IT and cyber security report

Supporting papers by the Head of IT and Logixx

The Committee noted that IT call-outs had reduced in number in the last two months. The IT team had put systems in place to reduce response times to tickets, whilst prioritising urgent requests. All KPIs were being met.

The college response to cyber security remained focussed on ensuring that software was as up to date as possible to deal with new threats, and on the continuing education of college IT users. It was difficult to keep all computers up to date via the servers, so additional layers of security were being added.

To comply with Keeping Children Safe in Education, (KCSIE), filters had been installed to detect specific words being inputted through the college IT system.

In response to governors' questions, it was confirmed that further training on phishing was planned. Governors stressed the need for all new staff to receive training as part of their induction. It was suggested that the forthcoming professional development week in July would provide an opportunity for a mandatory refresher session.

7. Sustainability Termly Report

Supporting paper presented by the EDSSSR

An update on the March report was noted, including the inclusion of energy usage data, with comparisons going back to 2020-21.

There was support for measures to integrate carbon literacy into the curriculum, as it was recognised that it was rapidly becoming part of the working world. As part of the Skills Development Fund project, free carbon literacy resources were being developed that were being shared with employers.

The Committee supported the recommendation to publish the streamlined energy report, and to taking a transparent approach to reporting in general. **ACTION**

EDSSSR

Governors asked whether resources were adequate to implement further stages on the AOC Climate Roadmap. A budget had been provided by the ESFA for energy efficiency, some of which would be ring-fenced for these strategies. The remainder would be used for the summer works.

Governors were encouraged to access the free training that had already been circulated.

The EDSSSR was thanked for an excellent summary and for the time that he had put into updating his own skills and knowledge.

8. Finance

8.1 April 2023 Management Accounts

Supporting paper presented by Interim EDF

The Committee noted that the predicted year end position had stabilised thanks to work undertaken to reduce pay costs. Debtors and creditors were now being analysed to gain an accurate picture. It was likely that some debts would not now be realised.

Cashflow was being tightly managed in order to satisfy the bank covenant requirements on 31st July.

An overview of expenditure against capital grant funding would be introduced in future management accounts.

There was discussion of the potential to mothball further parts of the estate to reduce facilities costs. The college was currently operating at around 400m² more than was needed.

Governors confirmed that the document provided the information that they needed and the April 2023 Management Accounts were received.

8.2 Draft budget and financial plan 2023-24

Supporting paper presented by the Interim EDF

The outline financial plan and strategy had already been shared at the April Strategy Day. The aim was to deliver a 1.5-2% operating surplus, and to achieve an underlying financial health grade of Good. Certain ratios needed to improve to achieve these targets.

The latest position was:

- The income position was fairly secure. The Senior Leadership Team had undertaken a detailed analysis but would continue to keep this under review.
- Savings on non-pay expenditure were achievable. The budget was conservative and would include work to centralise some budgets, such as software and licences. Realistic sums were, however, built in for investment especially in areas such as cyber security. Governors stressed the need for an adequate budget for staff training.
- Pay costs of approximately £8m included a figure for agency and sessional costs. Governors challenged on how realistic these were given the experience of the current year. There was confidence that these figures would be achieved with the curriculum efficiency modelling that was taking place to reduce the numbers of groups, and increase class sizes. Staffing needs had been tested rigorously but would be kept under close scrutiny. In response to governors' questions, it was confirmed that there were no planned reductions in staffing numbers, but that some staff might be redeployed to teach other classes. The specific approach to teaching T Levels was acknowledged.
- The Capital Expenditure table now reflected only confirmed work during the year.

The Committee confirmed its support for the assumptions behind the draft budget and financial plan. The Interim EDF was thanked for setting these out clearly.

RESOLVED: That the budget 2023-24 and financial plan to 2025 would be recommended to the Corporation for approval.

8.3 Annual insurance report

A quote from the insurance broker was still awaited and would be shared when received. **ACTION**

Interim EDF

9. Finance and Resources KPI and Risk Report

The report highlighted the key strategic risks and Key Performance Indicators that fell within the Committee's remit. It was confirmed that the risk rating for safeguarding had been increased due to staff turnover, although robust arrangements had been put in place to mitigate this risk.

The Committee confirmed that the risks and KPIs had been covered through its business.

Part two – confidential items recorded in separate minutes

10. Date of next meeting

The Committee supported the increase in committee meetings in 2023-24 to provide more frequent financial scrutiny. Provisional dates were:

- 4 October (general meeting)
- 29 November (joint with Audit Committee and finance focus).

Signed By: _____

Date: _____