

Meeting of the Policy & Resources Committee

Date:	13 March 2023	Room number	Boardroom
Present	Carole Ditty (Chair), Forhad Altafi (Vice-Chair), Andy Cole (Interim Principal & CEO), Talha Ahmad (TA), Andy Forbes (AF), Molly Makota (MM)		
Via Teams:	Mark Bass (MB)		
In attendance	Victoria Eastwood (Chief Governance Officer) (CGO) Debra Greenidge (Interim Executive Director – Finance) (IEDF) Andrew Lawson (Chief People Transformation Officer) (CPTO) Jason Turton (Chief Operating Officer) (COO) Wijay Pitumpe (Interim Chief Finance Officer) (ICFO)		
Apologies	N/A		
Circulation	Policy & Resources Committee/Corporation		

1.	Welcome and apologies. The Chair welcomed all present to the meeting and introductions were made. There were no apologies for absence.			
2.	Declarations of Interest Governors were reminded of their responsibility to declare an interest in relation to specific items on the Agenda if appropriate. Carole Ditty declared an interest in agenda item 3.			
3.	Appointment of Committee Chair The CGO reported that Forhad Altafi had been appointed as Vice-Chair of the Committee at the November meeting but it had been agreed that further discussions would take place on the appointment of Chair of the Committee. Those discussions had now completed and it was recommended to the Committee that Carole Ditty be appointed as Chair of the Committee for the remainder of the 2022/23 academic year. This was unanimously approved. Approved: That Carole Ditty be appointed as Chair of the Policy & Resources Committee for the 2022/23 academic year.			
4.	Minutes of the Previous Meetings held on Monday 21 November 2022 The Minutes of the previous meeting held on Monday 21 November 2022 were agreed as a true and accurate record. Approved: That the Minutes of the previous meeting held on Monday 21 November 2022 were approved as a true and accurate record.			
5.	Matters arising An update on the actions from the previous meeting was provided:			
	Agenda Item	Action	Responsibility	Timescale
	6.	After consultation with staff to be added to paragraph 6.3 and reference to Ofsted to be included in the Terms of Reference.	CGO	ASAP
				Complete

9.	Learner Support Fund information to be issued to the Committee.	Principal/CEO	ASAP	Complete
10.	(Option 2) to include increments, regrading for lectures, London Living Wage and consolidated payment of £750 for those staff earning under £25K. The additional consolidated payment to be removed and discussed in the future. All assumptions to be based on the inclusion of the carried forward deficit and bad debt provision. A detailed report including non pay benefits to be presented to the Corporation at the additional meeting on Monday 28 th November.	CGO/CPTO	25/11/22	Complete
11.	Data on health and safety incidents to be included in the next report.	CPTO	March 2023	To be provided at the March Corporation meeting (27.03.22)
12.	Partnerships report to ensure a curriculum and quality focus going forward.	IEDF/Principal/CEO	March 2023	Complete
13.	Increase in data to provide clarity on how BAME is referred to and the categories within to be provided in the next report.	CPTO	March 2023	Safeguarding Report deferred to the full Board
14.	Report on the implementation of radicalisation processes to be received at the next meeting.	CPTO	March 2023	Safeguarding Report deferred to the full Board

The Chair reported that the Health & Safety report would be discussed at the March Corporation Meeting. There was an important reference to the percentage of H&S risk assessments that need to be approved which referenced back to the Ofsted inspection recommendations regarding living healthy lives. The Committee needed to ensure it did not lose sight of these recommendations.

The Committee were advised that the Safeguarding item had been deferred to the full Board and the EDI item would be discussed at the May Strategy Event. The Chair questioned whether the outcome of the pay review should be formally minuted for this Committee and also the full Board – this was agreed and is detailed below:

Pay Award

It was confirmed that the following elements of the pay award had been actioned:

	<ul style="list-style-type: none"> December 2022 - processed the one off non-consolidated payment of £750 for staff whose FTE salaries were below £25k January 2023 - 3% increase applied to all pay scales other than SLT and Exec members of staff – backdated to 1st August; one-off non-consolidated payment of £250 (pro-rated for part time staff) for staff whose FTE salaries were between £25k and £35k; increments from 2021/2022 PDR process and a number of historic unresolved increments processed February 2023 - processed increments for staff who appealed against the outcome of the PDR Process March 2023 - processed the changes to the LEC Pay Scales plus Curriculum Team Leaders and Managers (this was delayed due to an extended payroll system upgrade) <p>Action: It was agreed that the pay benefits matrix would be recirculated to the Committee for reference.</p>
6.	<p>Committee Discussion</p> <p>The Chair stated the need to ensure that the Committee performed as best as possible, highlighting the broad remit of the terms of reference and a lot of information to digest. The meetings would focus on key areas during the two hour discussion including post Ofsted items. The Chair advised that she was keen to work with the Executive Team and Committee members to ensure reports were concise, provided in a timely manner and that papers were circulated one week before the meeting to allow sufficient time to digest. Presenters could take the report as read and focus on the key areas.</p>
7.	<p>Balance Scorecard Update</p> <p>Discussion took place on the format of the balance scorecard and comparisons were made to the data presented at the Curriculum & Quality Committee. The COO confirmed that the elements required specifically for this Committee would be considered going forward and it was agreed that the Chair would meet with the COO to refine key items.</p> <p>The COO reported that financial sustainability and staff utilisation would be addressed in detail further down the agenda but highlighted that there had been some adjustments with staffing and the tuition catch up fund to ensure full utilisation to hit the target of 98%. Teaching and learning was in official observation stage at present and would be updated once these had been completed. The CPTO added that work was taking place to look at utilisation and vacancies to determine whether there were genuine vacancies in those areas.</p> <p>The COO reported that the HE income line had increased due to the work by the Interim Executive Director Finance (IEDF) with Higher Education Institutions (HEI's) to ensure funding was being invoiced.</p> <p>AF referred to the balance scorecard for ELIOT and questioned whether the deadlines aligned for reporting to the Department for Education (DfE). The COO confirmed that the reports were created on the first of each month and the KPI's were updated in line with DfE requirements.</p> <p>The Vice-Chair queried whether the College was clear on the year to date position for agency staffing costs. The CPTO replied that there was still a need to be clear on criteria and whether cost or number of roles was being covered.</p> <p>Agreed: That the current position be noted. Action: Chair to meet with COO to refine key items for the balance scorecard going forward.</p>
8.	<p>Recruitment and Staffing Update</p> <p>The CPTO advised that the report was focussed on recruitment, comparing the position from February 2022 to March 2023 providing a detailed analysis of vacancy position which was RAG rated based on risk.</p> <p>The Committee were updated on the following:</p>

- Slight improvement on time taken for a vacancy to be created and advertised
- Time period between a role being advertised to closing had increased and needed to be reported more accurately.
- Applications per role was below benchmark but progress was being made and the average fill rate had increased to 11 roles per week
- Level of new vacancies has slowed – the current vacancy rate was c10%.
- Reduction in absence rate to c20 – Motor Vehicle, Engineering, Building and Construction Trades were still problem areas.
- A new social media channel was being launched to target harder to fill roles
- The prepopulated SEAF was now in place.
- Further work was needed on the candidate journey and application forms.
- Review of HR performance levels and KPI's would take place at the end of April 2023.

The Chair thanked the CPTO and HR team for the work undertaken to revise the format of the report and asked for clarification on the criteria used to inform the RAG rating. The CPTO replied that a red rating had been applied for areas highlighted by Ofsted or areas yet to recruit; amber ratings related to vacancies within lower risk areas and green ratings had been given to low risk areas or areas where there were currently no vacancies. The Chair stated that the College needed to streamline the recruitment process as there were still four approval stages for vacancies and the time period between advertised to closing needed to be a key area of focus. The CPTO replied that a control mechanism was required and the College mechanism consisted of four levels of approval to ensure utilisation was considered and to confirm clear vacancies within the establishment.

AF advised that it was a key priority for the College to be as fully staffed as possible for the start of the next academic year and four approval levels was too much – a budget based on business planning should form the basis of establishment. The level of vacancies was surprising and there was a need to understand how competitive the College was in terms of pay and benefits. The CPTO replied that all comparative colleges were selling a similar package and there was therefore a need to think beyond this in terms of a story around culture, working environment etc.

TA reported that dynamics in the Borough had positively changed and questioned whether the College were able to reach the potential pool it could draw from. The College needed to look at how to reach out to potential employees in the BME community and also to retirees and ensure applications from these areas were being encouraged.

TA stated that the vacancy rate was alarming against the sector average. The CPTO replied that the Association of Colleges (AoC) were quoting 5.8% as an average vacancy rate but FE Week were quoting 10.4% - the College had a lot of work to do but was on a par with the sector.

FA referred to the risk factor of recruitment and asked how many candidates the College had lost within the process and the reasons for this. Building Services had three vacancies and had been rated red but how significant was the impact of this, what strategies were in place and what would be the outcome if Ofsted returned and the vacancies were still not filled? The CPTO responded that he was fairly confident that the College was in a better place for Engineering but Building Services and Construction were still challenging and all channels were being used to recruit. FA asked how the College could improve pay benefits. The CPTO advised that this could include the College environment, investment in facilities and kit, consideration of market supplements, teaching hours and the Christmas closure.

AF stated that the key to recruitment was agility and to question why staff were leaving. In some colleges after two attempts of advertising a market supplement was added to the post.

The Interim Principal/CEO advised that it was useful to add the vacancy created to staff starting time but there was a need to ensure the process of approvals and advertising started before the current postholder left the College and to provide clarity on how long posts were actually vacant for.

The Interim Principal/CEO referred to staff workload and questioned whether not using agency staff to fill vacancies resulted in deferring activity until the appropriate level of staff was available or if current staff were delivering this level of activity and this was resulting in overtime or the department was overstaffed. The CPTO replied that the level of cover was included in the staffing hours but there was a need to know what the trigger point was for the vacancies.

Agreed: That the current position be noted.

9. (a) Management accounts

The Chair thanked the IEDF and Finance team for all their work on the accounts and forecast. The IEDF highlighted the following:

- GLA Adult Education Budget (AEB) – not enough evidence for the ILR – added some short courses to assist in reaching targets.
- Apprenticeships would not come in as expected – revised down by £600K – lack of staff impacted on delivery
- Project income risk– Multiply – there were more enrolments to go through the ILR and the next return would be the first week in April
- Fees – Apprenticeships – would be on target
- Pay costs – agency cover was high – discussions were taking place on reducing agency staffing
- Trade creditors payment performance now highlighted in days

TA queried the cost savings for apprenticeship income. The IEDF replied that the College could only obtain student funding for rail learners and had to pay to get them through the assessment. However, a variation contract for the end point assessment had been received.

TA referred to invoicing employers and asked how the College could be sure that the issue with signing the documents etc would not be repeated. The IEDF advised that she was working with the team to make sure they understood the process. The Chair queried whether the process was flawed or whether the process was correct and not being followed. The IEDF replied that the process was being overhauled as it wasn't sufficient and additional training was being provided alongside this.

AF stated that the report was focussed on the right things and thanked the IEDF for all her hard work. The College needed to consider the quality and robustness of initial business planning and ensure focus on whether the right processes and right business plans were in place.

(b) Forecast Outturn 2022-23

The IEDF presented the best-case, medium-case and worst-case scenarios and highlighted the following basic assumptions:

- Could be an increase in payroll
- Heavy reliance on agency staff
- Additional funds required to service machinery that was not serviced during Covid
- Additional costs to pay partners owed re assistance with online learning (licences for on-line programmes and marking)

TA stated that each case resulted in a deficit and asked whether the College had the capacity to improve for the next year. The IEDF replied that business planning was currently taking place to establish a clear position going forward. The COO added that this was the first time business planning had taken place collectively to ensure rigorous challenge instead of the process consisting of individual meetings.

AF asked how the three scenarios affected the College's financial health position. The IEDF advised that the best-case scenario would result in the College being ten points above the threshold to achieve a good rating, medium-case would result in a requires improvement rating and worst-case would be inadequate.

	<p>(c) Student Debt Update The IEDF reported that a lot of work was taking place to ensure a clear position.</p> <p>TA stated that not following process seemed to be a theme and asked why the College systems were not synchronised to ensure this was managed automatically. The IEDF replied that previously staff did not understand how apprenticeships worked but work was now taking place with the CIS Department to establish a report that was satisfactory and the Finance team were being trained to ensure they knew what to look for. AF added that assurances had been received that this would not be repeated in the future. The IEDF confirmed that this situation could have an impact on the integrity of the financial forecasts.</p> <p>The Chair asked when the final position would be clear and the process completed. The IEDF advised that this would have to be completed by the year end. The Interim Principal/CEO added that a further report would be provided on closing the gap on the best and worst case scenarios.</p> <p>Agreed: That the current position be noted.</p>
<p>10.</p>	<p>Compliance against Financial Regulations The IEDF reported that there had been a number of agency invoices without purchase orders and invoices without correct rates. Work was taking place with the HR Department to improve the position and a training session with the Heads of Division had been beneficial.</p> <p>The Chair thanked the IEDF for her diligence and support.</p> <p>Agreed: That the current position be noted.</p>
<p>11.</p>	<p>Subcontracting Progress Report The COO reported that the allocation had increased from what had previously been approved and an additional allocation provided to LASS. AF stated that every subcontracted student was a student of the College and a much better process for quality was in place.</p> <p>The Interim Principal/CEO reported that the DfE/ESFA were clamping down on tactical subcontracting for the primary purpose of meeting income target and noted that the College were engaging with existing subcontractors with a proven track record. The Committee could be assured that the College were not paying twice and committed the resource.</p> <p>The Chair stated that she was pleased and reassured to see the action plan, the use of subcontractors with a proven track record and QI systems in place and that each subcontractor had a link to a curriculum lead department. AF added that it would be useful to have a standard report where subcontracting performance was included in curriculum joined up with the approach for the Curriculum & Quality Committee.</p> <p>The Committee approved the subcontracting plan and increased allocation 2022/23.</p> <p>Action: Subcontracting report where subcontracting performance is included in curriculum reporting to be considered. Approved: the subcontracting plan and increased allocation 2022/23 was approved.</p>
<p>12.</p>	<p>AoB –Meeting Evaluation The following feedback was received:</p> <ul style="list-style-type: none"> • TA noted that he appreciated the hard work of staff • WP – current year was damage limitation, crucial to start the business planning and focus on next year • MB – revisit EDI/BLG at the May Strategy Meeting • AF – well chaired – good meeting – can see the improvement • Teams site to be created for the Committee

	<ul style="list-style-type: none"> • Questions to be provided ahead of the meeting, where appropriate, to save time
	Date and time of next meeting – Monday 12 June 2023

The Chair thanked all those in attendance for their contributions and to the officers for their reports. The meeting closed at 7.45pm.

Agenda Item	Action	Responsibility	Timescale	Update
5.	Pay benefits matrix to be recirculated to the Committee for reference.	CGO	ASAP	Complete
7.	Chair to meet with COO to refine key items for the balance scorecard going forward.	CGO/COO	ASAP	To be scheduled in June 2023
11.	Subcontracting report where subcontracting performance is included in curriculum reporting to be considered.	COO	June 2023	Complete

Signed.....
(Chair)

Date.....