

Meeting of the Policy & Resources Committee

Date:	14 March 2022	Room number	Boardroom
Present	Evelyn Carpenter (Chair), Carole Ditty (CD), Forhad Altafi (FA), Yvonne Kelly (Principal& CEO), Talha Ahmad (TA)		
In attendance	Graham Hough (Chief Finance Officer) (CFO) Victoria Eastwood (Chief Governance Officer) (CGO) Andrew Lawson (Chief People Transformation Officer) (CPTO)		
Apologies			
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. FA declared an interest in agenda item 5.																							
3.	<p>Minutes of the Previous Meetings held on Monday 6 December 2021 The Minutes of the previous meeting held on Monday 6 December 2021 were agreed as a true and accurate record.</p> <p>CD referred to the capital developments update within the Minutes advising that the date for completion of E Block should read 31 March 2022 and not 2021 – this would be amended before the Minutes were signed.</p> <p>Approved: That, subject to the above amendment, the Minutes of the previous meeting held on Monday 6 December 2021 were approved as a true and accurate record.</p>																							
4.	<p>Matters arising An update on the actions from the previous meeting was provided:</p> <table border="1"> <thead> <tr> <th>Agenda Item</th> <th>Action</th> <th>Responsibility</th> <th>Timescale</th> <th>Update</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>Appointment of Vice-Chair to be discussed at the next meeting of the Committee.</td> <td>CGO</td> <td>March 2022</td> <td>Included on the Agenda</td> </tr> <tr> <td>6</td> <td>Board Assurance Framework to be presented at the next meeting.</td> <td>MB/CGO</td> <td>March 2022</td> <td>Discussed with Chair and at Board Development Event</td> </tr> <tr> <td>7.</td> <td>Actual number of staff participating in training within different areas across the College to be included in</td> <td>CFO</td> <td>March 2022</td> <td>Completed</td> </tr> </tbody> </table>				Agenda Item	Action	Responsibility	Timescale	Update	5	Appointment of Vice-Chair to be discussed at the next meeting of the Committee.	CGO	March 2022	Included on the Agenda	6	Board Assurance Framework to be presented at the next meeting.	MB/CGO	March 2022	Discussed with Chair and at Board Development Event	7.	Actual number of staff participating in training within different areas across the College to be included in	CFO	March 2022	Completed
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		future Health & Safety reports.				
	10	Detailed report on compliance against financial regulations to be provided at the March meeting.	CFO	March 2022		Verbal update included as there have been no compliance issues. This will remain as a standing agenda item and a full report provided in June.
	14	Safeguarding to feature further up the agenda for future meetings	CGO	March 2022		Completed – Safeguarding will be discussed at the March Corporation meeting
	14	Safeguarding update to be presented to the December Board to include: <ul style="list-style-type: none"> - Detail of how many allegations were under active criminal investigation - Clarification on the Prevent case, specifically the type of extremism - Confirmation to be provided on the age of the learner referred to children's services 	CGO/Head of Safeguarding	December 2021		Completed
	14	Curriculum links scheme to ensure that Safeguarding and EDI were incorporated for all Governors.	CGO	January 2022		Completed
	14	Role of Safeguarding Governor to be strengthened.	CGO	ASAP		Ongoing
5.	Appointment of Committee Vice-Chair					
	Further to discussions that had taken place prior to the meeting, the Chair proposed that Forhad Altafi be appointed as Vice-Chair of the Committee for the remainder of the 2021/22 academic year. This was unanimously approved.					

	<p>Approved: That Forhad Altafi be appointed as Vice-Chair of the Policy & Resources Committee for 2021/22.</p>
<p>6.</p>	<p>Debt Write-Off 2020/21</p> <p>The Chief Finance Officer (CFO) reported that both the internal and external auditors had raised the question regarding bad debt provision and the College was intending to recruit to the Sales Ledger Manager vacancy. Unfortunately, recruitment had so far been unsuccessful, and the role was being covered by other members of the Finance team. A new Head of Finance was now also in place. Debt was being chased and overall debt has decreased from year end to now. However, the Policy & Resources Committee requested that an update be provided prior to the next meeting to mitigate risk and a list of unrecoverable debts be provided at the June meeting to be able to agree whether the provision was at an acceptable level. The Principal/CEO suggested that the report also include trend data for debt.</p> <p>Further work would also take place to consider whether the previous change of instalments in the fees policy had impacted on the debt position for learners. Debt recovery would now be a standing agenda item for the Committee to ensure debt levels were routinely monitored.</p> <p>Action: Update on the debt position to be provided prior to the June Committee meeting. List of unrecoverable debts and full report including trend data to be provided for the June Meeting. Debt recovery to be a standing agenda item for each Committee meeting.</p>
<p>7.</p>	<p>Tuition Fees Policy 2022/23</p> <p>In response to a query from the Chair, the CFO confirmed that the Tuition Fees Policy remained unchanged from the previous year.</p> <p>The Chair asked for clarification on the learner support bursary fund. The CFO responded that this was part of the funding allocation and the government set the criteria. It was agreed that a full breakdown of the 16-18 and adult allocation and update on the criteria and spend be provided for the Committee.</p> <p>CD questioned how frequently the cash back discount and instalment schemes were used. The CFO replied that these had been used in the Plumbing area where there had been issues with the tuition and staffing to encourage learners to stay on and receive the discount. Learners undertaking Nursing courses that had lost funding and could not afford the fees also used the schemes. However, the schemes were only used when necessary. CD stated that it was encouraging to see that the focus was to try to get learners onto other courses or improve the learning experience. The CFO added that the instalment plan was the main source of payment and work would take place to consider whether amendments to instalments had impacted on learner debt.</p> <p>Approved: The Tuition Fees Policy 2022/23 was approved.</p> <p>Action: Full breakdown of 16-18 and adult allocation and update on criteria and spend for the learner support bursary fund be provided.</p>
<p>8.</p>	<p>Management Accounts to end February 2022</p> <p>The CFO reported that the College was in the process of implementing a new management accounts format which remained work in progress. The aim was to ensure the accounts were user friendly and feedback was welcomed. It was noted that a Governors' management account masterclass would be held for Governors once the format had been finalised and agreed.</p> <p>The Chair asked whether the positive variance of £0.928m for support staff and lecturers' salaries would be impacted by the pay review. The CFO advised that the pay review had been included as this had been paid in February 2022: the forecast for pay expenditure included the 1.25% employers' national insurance increase and oncosts.</p> <p>The Chair referred to the capital grant from the Department for Education (DfE) for the refurbishment of E Block and the update that progress had been delayed to late April due to supply issues. The CFO stated that the College had to commit to procurement early to order plaster and steel works etc but some interior</p>

fit out issues had delayed the project slightly. E-Block was expected to be finished for the third week in April 2022 and clauses had been included in the contract to implement charges if the deadlines were not met.

In response to a query from the Chair, the Principal/CEO clarified that the HE provider growth fund and revenue grant were part of the capital element of the Higher Technical Qualifications (HTQ).

TA advised that the cash position on page 56 of the report contained an error and needed to be amended – this was agreed – and asked for the reason in the variances between the budgeted income and actual income. The CFO referred to the variances provided in Appendix A of the report and added that differences in phasing and in-year timings were impacting eg additional ALS income was behind due to re-invoicing. FE loans and full cost recovery were down as the National Skills Fund offer of free courses had impacted on the College's full cost courses.

TA asked whether the forecasted annual budget would be achieved. The CFO responded that the February management accounts which would be discussed at the March Corporation meeting, would provide a line by line reforecast to advise of the year-end position.

The Chair referred to the additional income for high needs learners stating that it could not be assumed that extra income for that area could assist in filling a hole in the budget as this money should be spent on the learners. The Principal/CEO replied that the income was dependant on the staffing budget – the establishment could cope with the additional costs but vacancies were being closed off to make savings. Some of the cost of the high needs had been taken from recruitment that would have been elsewhere. The Principal/CEO added that the College worked hard to ensure the costs reflected the income and if the income decreased then the costs must follow.

The Chair asked how the forecast amounts had been accumulated. The CFO reported that the College was in the process of changing the forecast. Income was straight forward to forecast as the ILR provided the learner numbers and the College knew the relevant funding per learner. It was assumed for non-pay areas that the full budget would be spent but budgets were being scrutinised to ensure that if an area had only half the number of learners they required half the budget. Work was taking place with HR to achieve an accurate establishment position for payroll and linked to this would be work on staff utilisation and separately looking at efficiency eg how many learners in each class. Controls were also being put in place to manage agencies and ensure this was more effective.

The Vice-Chair queried whether more agency provision was being used for internal vacancies. The Principal/CEO replied that this had not increased but the big three areas for staffing vacancies were apprenticeships, ESOL and ALS. Controls had increased to question whether the use of agencies was the most efficient use of staffing. The CFO added that agencies were now broken down into staff, vacancies with agency, true agency, sickness and maternity. A lot of work was taking place on coding to ensure correct codes for all projects.

The Chair queried the breakdown of agency cover and why the original budget for 2021/22 did not include agency support but c£725K had been forecast yet the actual for 2020/21 was c£1.9 million. The CFO advised that the budget for agency tended to be kept together not split between lecturers and support and there had been a level of optimism within the budgeting process at that point. The accounts were now more transparent and included lines for agency cover and agency against the establishment which had previously been included under staff costs. The Chair stated that the breakdown was helpful but it was agreed that more narrative was required. The Principal/CEO added that by the end of March 2022 the accounts would be coded appropriately and year-end projection and savings would be available.

TA asked for clarification on actual restructuring costs vs budget, staff training actual vs budget and spend for LSF bursaries. The CFO reported that the restructuring costs budget was based on the assumption that a restructure happened each year. Restructures had taken place within Broadway, Catering, ALS and Marketing/Student recruitment which had not been too costly as the majority of the staff had moved to new

roles. The budget needed to allow room to manoeuvre in case a further restructure was required. The Principal/CEO stated that the Chief People & Transformation Officer (CPTO) would consider worst case scenario as the figure used were historic. The CFO referred to staff training advising that initial teacher training bursaries were included in the actuals and c£70K bursaries had already been paid out. TA stated that the budget should be reflective of the likely position the College should be in. The Principal/CEO added that with regard to LSF (student support bursaries) this was provided as a proportion of spend at this moment in time and the money would be drawn down every month as learners paid monthly.

The Chair referred to the staffing ratios as a proportion of income within Appendix D advising that these had increased from 2021/22 68% to termly amounts of 79% and 78%. The CFO clarified that the staffing ratio was divided by 12 months therefore the income was low at the present which increased the percentage. CD stated that it would be useful to add a note to advise of the position in the accounts. The Principal/CEO advised that the CPTO would build headcount trend into his report to the Committee going forward.

CD stated that in the last two years apprenticeships had featured largely and, noting that this was included as a medium risk, asked for confirmation that the budget could be met. The Principal/CEO reported that apprenticeship income was underperforming at present but work was taking place in terms of timelines and bids had been submitted to cover the shortfall. The Chair noted that the forecast was still £2.5m but the actuals were low – 2021 actual full year was £1.7m. The CFO responded that the forecast was based on the information at the time. The Principal/CEO added that the year end forecast was based on the value of the starts and the pipelines and therefore the value of the projected starts and submitted bids.

The Chair referred to Corporation Chair's comments on the accounts received prior to the meeting and it was agreed that the CFO would discuss directly with the Chair. The CFO advised that performance of previous years, the movement in the actuals and variance each month would be included in the accounts.

CD advised that commercial income was something that needed to be capitalised on and it was pleasing to see improvement in this year, congratulating the College on the positive variance. The Principal/CEO stated that it was intended to commission a report to look at potential in commercial.

Agreed: That the current position be noted.

Action: Full forecast to be presented at the March Corporation meeting alongside the February accounts.

Action: Future accounts to include performance of previous years, movements in actuals and variance each month alongside increased narrative including agency position and to provide clarity on staffing ratio.

9. Compliance against Financial Regulations

The CFO informed the Committee that a full written report would be provided at the next meeting. Issues were currently being addressed in two areas focussed on invoicing and staff utilisation and discussion took place on this and measures in place to ensure staff had signed to confirm they had read the financial regulations.

The Chair stated that staff needed to be aware that compliance against the financial regulations was being discussed by the Committee.

Agreed: That the current position be noted.

10. Capital & Equipment Developments Update

The CFO advised that the current main project for the College was E Block which had been slightly delayed as discussed earlier in the agenda. F Block and various roofing projects had now been completed. The College's IT Department had introduced Multi-Factor Authentication for College accounts which was linked to the cyber essentials qualification completed by staff.

	Agreed: That the current position be noted.
11. Health & Safety Termly Update	<p>In response to a query from the Chair, the Principal/CEO confirmed that both a new Health & Safety Assistant and a Kickstarter were in place.</p> <p>The Chair asked for an update on compliance with encouraging staff and visitors to wear masks in communal places. The CFO replied that compliance was low in communal areas since the Government guidelines were amended. Client facing areas remained compliant to ensure industry standards alongside areas where masking wearing was compulsory.</p> <p>CD noted that a new contractor had been appointed for Fire Security and asked whether this had previously been in-house. The CFO confirmed that the position had previously been provided through external services and the new Health & Safety Manager had introduced a new supplier.</p> <p>In response to a query from CD regarding low training statistics, the Principal/CEO advised that the cyber security training was only released in February however staff were expected to have completed all outstanding training by Easter. The Chair stated that Safeguarding training and practical training needed to be completed as a priority.</p> <p>The Chair stated that it would be useful to know the priorities for 2022/23. The CFO advised that progress against the 2021/22 priorities was being reviewed and the priorities for 2022/23 would then be confirmed and shared with the Committee.</p> <p>The Chair thanked the CFO for the report adding that the detail within the report had been very useful.</p> <p>Agreed: That the current position be noted.</p>
12. Partnership Progress Report	<p>The CFO reported that a few suppliers had struggled in the post Covid climate to achieve their numbers and conversations were therefore taking place with additional providers to make up the shortfall. Work was taking place to re-profile, clawback and reallocate.</p> <p>The Chair referred to the Learning Curve Group proposal. The CFO clarified that this was a new project to try to make up some of the shortfalls and achieve the AEB target. The College already used some of the online tutors from Learning Curve to deliver online learning.</p> <p>Agreed: That the current position be noted.</p>
13. AoB – Evaluation of Meeting	<ul style="list-style-type: none"> • Straight to the point • Ahead of time • Good constructive conversation • Lots of questions – well responded to • Good dialogue
14. Date and time of next meeting – Monday 13 June 2022	

The Chair thanked all those in attendance for their contributions and to the officers for their reports. The meeting closed at 19.30pm.

Agenda Item	Action	Responsibility	Timescale	Update
6.	Update on the debt position to be provided prior to the June Committee meeting.	CFO	May 2022	Updated via Corporation

6.	List of unrecoverable debts and full report including trend data to be provided for the June Meeting.	CFO	June 2022	Updated via Corporation
6.	Debt recovery to be a standing agenda item for each Committee meeting.	CGO	2022/23	Included in the cycle of business for 2022/23
7.	Full breakdown of 16-18 and adult allocation and update on criteria and spend for the learner support bursary fund be provided.	Head of CIS/Head of Enrolments	ASAP	Included on November Agenda
8.	Full forecast to be presented at the March Corporation meeting alongside the February accounts.	CFO	28/03/22	Completed
8.	Future accounts to include performance of previous years, movements in actuals and variance each month alongside increased narrative including agency position and to provide clarity on staffing ratio.	CFO	28/03/22	Completed

Signed.....
Evelyn Carpenter (Chair)

Date.....