

## Meeting of the Policy & Resources Committee

<b>Date:</b>	24 March 2025	<b>Room number</b>	Boardroom
<b>Present</b>	Carole Ditty (Chair), Natalie Davison (Principal & CEO)		
<b>Via Teams:</b>	Cllr Elizabeth Kangethe (CK), Molly Makota (MM), Jahaid Zaman (JZ), Diana Olafsdottir (Director of HR) (DHR), Andy Forbes (AF)		
<b>In attendance</b>	Victoria Eastwood (Chief Governance Officer) (CGO) Hiten Savla (Deputy Principal - Finance & Resources) (DPFR) Jason Turton (Deputy Principal – Curriculum & Quality) - Observer		
<b>Apologies</b>	Forhad Altafi (Vice-Chair)		
<b>Circulation</b>	Policy & Resources Committee/Corporation		

1.	<b>Welcome and apologies.</b> The Chair welcomed all present to the meeting and Jahaid was welcomed to his first meeting of the Committee. Apologies for absence were received from Forhad Altafi.				
2.	<b>Declarations of Interest</b> Governors were reminded of their responsibility to declare an interest in relation to specific items on the Agenda if appropriate. It was noted that EK was not directly involved in discussions concerning the Broadway Theatre and, as positions were aligned, there was no conflict of interest, however, this would be reviewed going forward.				
3.	<b>Minutes of the Previous Meeting held on 18 November 2024</b> The Minutes of the previous meeting held on 18 November 2024 were agreed as a true and accurate record.  <b>Approved: The Minutes of the previous meeting held on 18 November 2024 were agreed as a true and accurate record.</b>				
4.	<b>Matters arising</b> An update on the actions from the previous meeting was provided:				
	<b>Agenda Item</b>	<b>Action</b>	<b>Responsibility</b>	<b>Timescale</b>	<b>Update</b>
	7.	Risk assessments to be included as an agenda item for the next Committee meeting	CGO	Complete	Added to business cycle
	7.	Update on Apprenticeship risk assessments to be provided to the Committee in two weeks.	DPFR	w/c 2 December 2024	Complete
	9.	Review of reporting of complaints to the Board to take place.	CGO	ASAP	Complete
	15.	Principal/CEO to draft further letter to LBBD from the Chair of the Corporation outlining	Principal/CEO	ASAP	Discussion included on the agenda

	the College's position and expressing the need for a quick resolution.			
<p>The Chair stated that the terms of reference for this Committee were broad and the business cycle was constantly reviewed. It would be taken that the papers had been read to ensure presenters could highlight key issues and use time for discussion.</p>				
5.	<p><b>Strategic Risks</b></p> <p>The DPFR highlighted the following:</p> <ul style="list-style-type: none"><li>- Updated risk register highlighting the movements from the previous risks</li><li>- Overall risk total would be included going forward</li><li>- Two areas where the risk had risk increased – (1) failure to meet planned budget – this was due to the increase in depreciation costs highlighted through the year end budget which was now accounted for within the forecast and there was no cash flow impact. (2) Failure to maintain compliance with regulatory requirements – this was the outcome of the audit for bursary funding – risk of clawback</li><li>- Sickness pay – work was taking place to reduce this but currently staff were taking sick leave in response to performance issues being raised which needed to be addressed</li><li>- Apprenticeship delivery in terms of (Past End Date learners) PEDs – position being managed but could impact on funding</li><li>- Teaching and learning, student experience, safeguarding, health and safety, industrial relations – feedback showed the position is improving</li><li>- Overall risk had reduced – from 138 to 112.</li></ul> <p>The Chair stated that it was good to see the positive direction of travel and the register provided a useful way to review trends.</p> <p>AF questioned whether the College needed to move towards stress testing to ensure compliance. Currently the defence was the mitigations but could the College cope in the worst case and were the mechanisms to detect these risks in place. The DPFR replied that the College now discussed the risks at operational level to address any issues that may be arising which could impact on the risks and/or mitigations. In addition, developments from the Government in terms of funding and potential impact on cash flow was constantly being monitored to ensure the risk register remained under review.</p> <p>The Chair stated that strategy and development days need to be used for horizon scanning for the Board to be able to foresee future issues – this was agreed.</p> <p>MM advised that a sensitivity analysis was required to pick up the high risks and identify the impact – the link between the sensitivity analysis and risk register was key.</p> <p><b>Agreed: that the current position be noted.</b></p>			
6.	<p><b>EDI Update</b></p> <p>The CGO reported on the work undertaken to date as the first steps to embedding EDI across the College. It was noted that a bottom-up approach was key and that there were lots of good practice taking place but a joined-up approach was needed. Work was also taking place to combine EDI and wellbeing discussions where appropriate.</p> <p>The Chair advised that it was pleasing to see a renewed focus on EDI as the issue was more important than ever before given the current political landscape. The College needed to reframe to be able to obtain an inclusive environment and a bottom-up approach was key. The Principal/CEO added that feedback from the student forums had been positive in terms of EDI and students felt this was an area where the College performed really well.</p>			

	<b>Agreed: that the current position be noted.</b>
<b>7.</b>	<p><b>KPI Dashboard – Progress against Strategic Objectives</b></p> <p>The Principal/CEO updated the Committee on the following key points:</p> <ul style="list-style-type: none"> <li>- Colour coded approach now in place - blue points had been discussed at the C&amp;Q Committee</li> <li>- Priority 1 – staff retention – period now where staff retention would decrease and turnover increase. Practical work led by the DHR was taking place to tackle performance issues and it was noted that there was no longer scope for colleges to be awarding substantial financial packages. It was key to differentiate between staff turnover that was desirable and staff turnover that was not desirable – target was currently 85% desirable retention</li> <li>- Priority 2 – covered also by C&amp;Q in terms of ensuring the curriculum was responding to skills needs but for this committee the priority was to meeting income targets. Headline income streams were all performing well and high needs income was significantly higher than anticipated. There was work needed to improve adult income but no major red flags. In terms of lower level income lines, there was a need to understand where the market was to improve planning and realise expectations but these were small scale.</li> <li>- Priority 5 – cash days in hand – this was dipping below the 25 day target due to timing of the grant payment from the Department for Education (DfE) and also the Local Authorities were not paying high needs funding in a timely way – beyond May there would be an upward trajectory.</li> </ul> <p>The Chair referred to staff retention/performance management and questioned if there had been a culture shift to increase understanding. The Principal/CEO replied that this was in progress and staff were beginning to understand why things were happening in terms of underperformance. The DHR added that staff were naturally shocked when they were being managed but the key was to offer support and ensure autonomy in terms of making a decision.</p> <p>MM asked whether any additional payments had been included in discussions. The DHR replied that the College was restricted under the DfE/Managing Public Money rules to anything contractual but if there was a voluntary redundancy agreement there would be an allowance for an extra month.</p> <p>AF stated that a lot of issues were legacy issues and asked whether the basics were right in terms of probationary periods, target setting and reviews. The DHR advised that probation reviews were not consistent, the quality of Performance Development Reviews (PDR's) was poor and general management were low in terms of capability. Work was starting at the beginning to help managers understand why performance needed to be addressed. Not all cases were legacy as there had been a shift from managing a reactive service to a proactive service – trying to catch employer relation issues much earlier.</p> <p><b>Agreed: That the update be received.</b></p>
<b>8.</b>	<p><b>HR Update including EDI Policy and Low-level Concerns Policy</b></p> <p>The DHR reported that the EDI policy was an existing policy that had been updated but needed to be developed on an ongoing basis. The Low Level Concern Policy was in line with Keeping Children Safe in Education (KCSIE) guidance and sat between HR, safeguarding and governance, encouraging staff to report any concerns and low level behaviours that, repeated over time, could be conduct issues. The College did have staff reporting these concerns so there was evidence that the system worked.</p> <p>The Chair thanked the DHR for both policies which were clear and focussed and the policies were approved.</p> <p>The DHR provided the following points from the HR update:</p> <ul style="list-style-type: none"> <li>- No direct correlation between wellbeing days, interventions and sickness absence but these were a slow burning initiative.</li> </ul>

	<ul style="list-style-type: none"> <li>- Promotion of Employer Assistance Programme (EAP) and managing the sickness process had improved, managing manager contact and educating managers were key interventions to reduce sickness absence</li> <li>- Consideration being given to introducing flu jabs on site and ways to reduce length of time paid for sick leave – suggested to redistribute some of these funds into health care plans</li> <li>- Long term sickness absence around mental health, cancer, musculoskeletal, high incidences of work related stress – EAP allows for counselling and support but a longer term strategy was needed. If interventions did not work then an exit had to be considered – discussions have been well received from staff in general</li> <li>- Probation review gaps were a potential intervention – high turnover of staff in the first year of service, therefore, the College needed to ensure it was recruiting well. Work was taking place to develop an employer value proposition to consider the characteristics the College wanted to attract</li> </ul> <p>AF stated that it was helpful that sickness and the workplace were currently topical. The impact of unmanaged sickness absence was also cumulative on staff who had to pick up the pieces. This was a complex process that could only be achieved when all indicators move in the right direction but the direction of travel was pleasing.</p> <p>JZ questioned the support in place for staff who were currently covering for colleagues. The DHR advised that a working group had been established with union reps to consider wellbeing interventions and consider turnover data, sickness, hard to recruit areas etc to try to identify any trends. A specific risk register was being compiled to assist in looking at internal and external factors – wellbeing, stress, risk assessment in place for managers to use in meetings with staff alongside monthly workforce planning meetings to consider data for early interventions. It was agreed that a draft of the risk register would be provided at the next meeting.</p> <p>AF stated that within the last Ofsted report, there had been a specific paragraph on the negative impact of staffing on both students and staff. It should therefore be anticipated that this area would be revisited.</p> <p><b>Approved: The EDI and Low Level Concerns Policies were approved for future use.</b>  <b>Action: Draft HR Risk Register to be presented at the next meeting.</b></p>
9.	<p><b>Management accounts as at Period 6 including Financial Performance year to date and contribution rates</b></p> <p>AF asked for clarity around the debt position (£121K) re supported internships. The DPFR replied that in 2022/23 the College had failed to claim the funds but has not submitted the appropriate paperwork to support the claim. The bad debt had been provided for as some of the cost had been paid, however, there had been some further errors in 2023/24 and the outstanding amount for 2022/23 was unlikely to be received. It was noted that current College procedures were now in line with requirements.</p> <p>The Chair asked why no provision had been made in respect of student debt at this point. The DPFR responded that the College was closely monitoring the debt currently and would review and update the position over the next few months. Most of the current student debt currently was on a payment plan.</p> <p>AF referred to the contribution analysis which highlighted areas of concerns and asked for further information on the reasons for the figures/how various departments performed. The DPFR replied that anything up to -20 was rated as amber and anything above this figure was rated as red. The reason for this is due to how the 16-18 is calculated for actuals compared to budgets as the English and Maths and Discretionary support grants have been stripped out of departmental lines and allocated to the English and Maths and Learner Services Department where the support is being provided. Contribution rates were tracked – areas identified as amber and red were not of significant value in terms of contribution rates. Staff costs against income was to provide a rough indication of</p>

	<p>performance by department against the budget which would be considered before approving staffing requirements. AF added that another critical factor was class size/group size which would need to be considered.</p> <p>The Chair asked if this information shared with the C&amp;Q Committee to ensure that the data was used in the most effective way. The Principal/CEO replied that this particular data set had not been shared but this would be considered and added to the C&amp;Q business cycle.</p> <p>Prior to the meeting the Chair had queried that the clawback of T-Level funding and high sickness cover costs had been identified as risks and asked for any further clarity on how these risks would be mitigated. The DPFR replied that the College was unable to do anything about the T Level funding, however, the announcement of the £50m in year allocation would be more than any clawback for the T Level's. The HR team were working actively to manage sickness cover and a number of cases had been closed.</p> <p>In response to a query from the Chair regarding the reduction of agency costs, the DPFR advised that the impact of agency costs and paying staff on sickness resulted in the College paying for these costs twice. A reduction in agency costs in relation to sickness could be used to reward staff as well as contributing towards the bottom line.</p> <p>The Chair asked the DPFR for the level of confidence in securing additional adult income and whether this would necessitate additional subcontracted provision. The DPFR replied that the College was not expecting any additional funds for both ESFA and GLA and the funding was decreasing for next year. GLA income was on target as achievement claims had not been made which amounted to 20% of the funding. ESFA maybe lower and the target was not likely to be achieved.</p> <p>The Chair asked for further clarity on the insurance claim. The DPFR reported that the loss adjusters had requested more information and rejected some of the items on the claim which related to the roofing directly. They had also advised the College to make a claim against ISG (now in liquidation) due to the faulty works carried out. The College had anticipated receiving £500K but it was likely that c£300K would now be received. Discussions were still ongoing and it was hoped that the matter would be resolved by May 2025.</p> <p>The DPFR informed the Committee that the employers NI increase was effective from the following month and the impact to the College was £152K from April to July 2025. The Government would make a contribution towards these costs but the College would not be notified of the amount until June/July 2025 and the cash would not be available until September 2025. In addition, the College will not be notified of the amount of the additional funding released until April/May 2025 and payment would not be received until July 2025. The payment could be up to 3.5% of the College's allocation for this year (c£500K) which had not been accounted for within the management reports.</p> <p>The Chair asked whether the February management accounts would be shared at the Board Meeting the following week. The DPFR confirmed that these would be issued this week.</p> <p><b>Action: contribution analysis data to be shared at the next C&amp;Q Committee Meeting.</b></p> <p><i>MM left the meeting.</i></p>
10.	<p><b>Capital Projects Update including EV Workshop</b></p> <p>The DPFR provided the following update:</p> <ul style="list-style-type: none"> <li>- EV Workshop – delays due to damage to work and gas pipes - working with contractor to stick to original college contribution – meeting scheduled this week to finalise the position before the final return to the DfE</li> </ul>

	<ul style="list-style-type: none"> <li>- Science lab was nearly finished and should be completed by the end of the Easter break</li> <li>- Decarbonisation project –cost decreased to 4m and now looking to moving to planning to put the air source heat pumps in at the far end of the car park</li> </ul> <p>The DPFR reported that a scope of change had been submitted for the reduction in the cost (from c£4m to £1.5m). The Chair stated that both the Committee and the Board had discussed authorisation re spend. The Committee was aware of the March 2025 deadline and it would be important to keep the Board updated re authorised spend</p> <p>The Chair stated that if the decarbonisation project was taken forward, Governors would need a detailed report and sufficient time to consider this as SPV structures required a lot of consideration. The DPFR advised that there would be a presentation on the decarbonisation project at the April Strategy Event.</p> <p><b>Agreed: that the current position be noted.</b></p>
11.	<p><b>Health &amp; Safety Update including Risk Assessments</b></p> <p>The DPFR advised that the report provided a clear picture all the work that was taking place to ensure the College was on top of any immersing Health &amp; Safety (H&amp;) and advised of the following:</p> <ul style="list-style-type: none"> <li>- RIDDOR event - gas line being broken by the contractors which had been reported</li> <li>- Level of incidents had been reducing</li> <li>- Lot of work taken place re testing fire safety</li> </ul> <p>The Chair noted that it was pleasing to see the inclusion of specific data regarding training in respect of Apprenticeships/T-Levels/WEX.</p> <p>The Chair referred to the high risk flags regarding work place visits for the apprenticeship team, work experience, T-level, childcare etc. The DPFR replied that this was in response to the ability to visit the workplace. The Principal/CEO clarified that placements were categorised into high, medium and low risk dependant on the location, for example office based would be low risk whereas engineering and construction would be high risk due to the visits being required more often. It was agreed that this would be clarified.</p> <p>The Chair recorded her thanks to the Head of Health &amp; Safety and his team for the work undertaken.</p> <p><b>Agreed: that the position be noted.</b></p>
12.	<p><b>Insurance Update including Governor Liability</b></p> <p>The DPFR highlighted the following:</p> <ul style="list-style-type: none"> <li>- Current cover for this year</li> <li>- Improved cover from previous year</li> <li>- Two major claims – roof on the ELIOT building and electrical outage at Broadway</li> <li>- Commercial combined insurance included Directors &amp; Officers (D&amp;O) cover</li> </ul> <p>The Chair requested that a summary of what the D&amp;O cover provided be circulated to the Committee.</p> <p><b>Action: Summary of D&amp;O cover to be provided to the Committee.</b></p>
13.	<p><b>Subcontracting Update</b></p> <p>The DPFR reported that the College had two subcontracting partners and all work was on target. It was noted that the QAR for subcontracting was consistently strong.</p>

	<p>In response to a query from the Chair, the CGO confirmed that the approval of the 10+/- subcontracting variation would be ratified by the Board at the March Corporation meeting.</p> <p><b>Agreed: that the update be received.</b></p>
14.	<p><b>Broadway Update</b></p> <p>The Principal/CEO highlighted the following key points on the current position:</p> <ul style="list-style-type: none"> <li>- Still ongoing but the position remained uncertain</li> <li>- College had been seeking to engage with the Council for a strategic discussion for over a year</li> <li>- College had put forward two proposals – Council not able to contribute any revenue funds</li> <li>- Second proposal included a capital investment to allow development re film showings and food service – no response received</li> <li>- Council had engaged with a commercial Theatre company to see if they wished to take the Theatre on but this was declined</li> <li>- The Principal/CEO had undertaken two conversations with the Leader of the Council who had now apologised for the lack of engagement</li> <li>- The Council had now engaged with a Property Agent and the Theatre was on the open market</li> <li>- the College had been invited to put forward a proposal</li> <li>- Period of several months when the College had funding available from the DfE to address the RAAC issue which was subsequently withdrawn from the DfE and now the Council would have to incur the costs</li> <li>- A meeting of the Broadway Subsidiary Board meeting was being convened this week as the deadline for the proposal was the 11<sup>th</sup> April</li> <li>- A genuine partnership between the College and the Council was needed going forward</li> <li>- The College must consider ONS regulations in terms of Managing Public Money as the debt owed to the College from the Theatre was c£200K</li> <li>- The College had taken legal advice re loss of earnings</li> </ul> <p>AF questioned whether the Theatre was for sale on the basis that the Council would undertake the RAAC works. The Principal/CEO replied that the property was for rent and the Council would need to remedy the RAAC situation. The DPFR added that there was currently a protective shield under the auditorium that prevented the RAAC coming through and the RAAC was only open in the production area. To save costs the Council could put a second protective shield in this area instead of full removal works. If this did happen, the DfE would not allow the College to use the premises.</p> <p>It was noted that a further update would be provided at the March Corporation Meeting.</p> <p><b>Agreed: that the current position be noted.</b></p>
15.	<p><b>Compliance against Financial Regulations</b></p> <p>The DPFR advised the Committee of the following:</p> <ul style="list-style-type: none"> <li>- Much tighter control around purchase orders was now in place</li> <li>- Some level of issue around agency costs – there was sometimes the need to put agency staff in place quickly due to illness but the College was working on how this process could be improved.</li> <li>- Within the new Preferred Supplier List (PSL) all agencies would be advised that unless there was a purchase order attached to the invoice the College would not be honouring any payments.</li> </ul> <p>The Chair advised that it was good to see continued focus to improve agency spend.</p> <p><b>Agreed: that the update be received.</b></p>
16.	<p><b>ONS Re-classification</b></p> <p>The CGO advised that college was consistently mindful of the regulations which had been referenced earlier in the report.</p>

	<b>Agreed: that the update be received.</b>
<b>17.</b>	<b>AoB –Meeting Evaluation/Priorities for Next Meeting</b> The Chair advised that she had recently dialled into two of the Monitoring and Performance (MAP) meetings and noted that this one of the most helpful ways to understand the workings of the College.  A meeting evaluation form would be issued after the meeting,
<b>18.</b>	<b>Date and time of next meeting – Monday 16 June 2025, 5pm</b>

The Chair thanked all those in attendance for their contributions and to the officers for their reports.  
The meeting closed at 18.41pm.

<b>Agenda Item</b>	<b>Action</b>	<b>Responsibility</b>	<b>Timescale</b>	<b>Update</b>
8.	Draft HR Risk Register to be presented at the next meeting.	DHR	June 2025	
9.	Contribution analysis data to be shared at the next C&Q Committee Meeting.	CGO	June 2025	Added to Business cycle
12.	Summary of D&O cover to be provided to the Committee.	DPFR	ASAP	

Signed.....  
(Chair)

Date.....