

Meeting of the Policy & Resources Committee

Date:	27 November 2023	Room number	Boardroom
Present	Carole Ditty (Chair), Forhad Altafi (Vice-Chair), Andy Forbes (AF), Steve Dowbiggin (Interim Principal & CEO)		
Via Teams:	Talha Ahmad (TA)		
In attendance	Victoria Eastwood (Chief Governance Officer) (CGO) Michelle Allen (Executive Director – HR & Safeguarding) (EDHRS) Wijay Pitumpe (Interim Deputy Principal - Finance & Resources) (IDPFR)		
Apologies	Molly Makota		
Circulation	Policy & Resources Committee/Corporation		

1.	<p>Welcome and apologies. The Chair welcomed all present to the meeting. Apologies for absence were received from Molly Makota.</p> <p>The Chair stated that this was a very full agenda and it was confirmed that all papers would be taken as read to allow opportunity for questions.</p>										
2.	<p>Declarations of Interest</p> <p>Governors were reminded of their responsibility to declare an interest in relation to specific items on the Agenda if appropriate. The Chair and Vice-Chair declared an interest in agenda item 3. The Committee agreed that the Chair and Vice-Chair did not need to leave the meeting.</p>										
3.	<p>Appointment of Committee Chair and Vice-Chair</p> <p>It was unanimously agreed that Carole Ditty would remain as Chair of the Policy & Resources Committee for the 2023/24 academic year and Forhad Altafi would remain as Vice-Chair of the Policy & Resources Committee for 2023/24.</p> <p>Approved: That Carole Ditty be re-appointed as Chair of the Policy & Resources Committee and Forhad Altafi be re-appointed as Vice-Chair of the Policy & Resources Committee for the 2023/24 academic year.</p>										
4.	<p>Minutes of the Previous Meetings held on Monday 12 June 2023</p> <p>The Minutes of the previous meeting held on Monday 12 June 2023 were agreed as a true and accurate record.</p> <p>Approved: The Minutes of the previous meeting held on Monday 12 June 2023 were approved as a true and accurate record.</p>										
5.	<p>Matters arising</p> <p>An update on the actions from the previous meeting was provided:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Agenda Item</th> <th style="width: 35%;">Action</th> <th style="width: 20%;">Responsibility</th> <th style="width: 15%;">Timescale</th> <th style="width: 15%;">Update</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5.</td> <td>Further data on the trends for 16-18 income to be provided.</td> <td>IDPFR</td> <td>ASAP</td> <td>Complete – included in the accounts</td> </tr> </tbody> </table>	Agenda Item	Action	Responsibility	Timescale	Update	5.	Further data on the trends for 16-18 income to be provided.	IDPFR	ASAP	Complete – included in the accounts
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7.	Detail on assessing the ESFA financial health to be included in the next accounts for the Board.	IDPFR	3 July 2023	Complete – included in the accounts
9.	Earlier year H&S incident data to be provided in future reports to ensure meaningful comparator.	CPTO	Next Meeting	To be included in H&S report
10.	Horizon scanning presentation to be circulated to the Committee	IDFR	ASAP	Complete

The Chair noted that the pre-covid data for the incidents within the Health & Safety report had not been provided in the report and would be addressed in an additional update.

6. Approval of Committee Terms of Reference 2023-24

Discussion took place around the risks of non-compliance with the ONS re-classification and it was agreed that a summary of the guidance against the measures put in place by the College would be presented at the January meeting. In addition, ONS re-classification would be a standing agenda item for relevant committees.

The Chair advised that the committee schedule of business would continue to be monitored against the corporate risk register.

Approved: The Committee Terms of Reference 2023-24 were approved subject to ratification by the Board.

**Action: A summary of ONS requirements against College compliance to be presented at the January Committee meeting.
ONS to feature as a standing agenda item for relevant committees.**

7. Draft Financial Statements 2022-23

The Chair reported that the Financial Statements 2022-23 were still in a draft format and could not be disseminated for this meeting. The Interim Deputy Principal – Finance & Resources (IDPFR) reported that the External Auditors had agreed the accounts on Friday 24 November 2023 and these would be presented to the Audit Committee at their meeting on Wednesday 6 December 2023. It was agreed that an additional Teams meeting would be convened once the Statements were received to ensure the split in responsibilities between this Committee and the Audit Committee.

Key points for the College from the Financial Statements were noted as follows:

- 78K deficit
- Group deficit 656K
- College remained at Good Financial Health
- Not breached any financial covenants
- Operating surplus, borrowing, cash in hand KPI
- Did not meet 65% benchmark for staff cost ratio income which sat at 66%

TA stated that there had been issues last year re income figures and whether different systems had the correct figures in terms of student debt and reassurance was sought to make sure the financial statements were accurate and reliable. The IDPFR replied that student debt had been reconciled, and both the finance system and student system were now in sync. The student debt provision had been increased as requested by the External Auditors and the College's Internal Auditors were undertaking a key financial controls audit and had provided recommendations on how to improve the systems.

The Chair thanked the IDPFR for the update.

Agreed: That the current position be noted.

Action: Additional Teams meeting to be convened to consider the Financial Statements 2022/23.

8. Revised Budget 2023-24

The IDPFR provided a summary of key points, advising that the budget had been aligned with the outturn from the previous year:

- Reduced surplus to 50K from 200K, contingent on 400K savings being achieved
- Increased allocation for 16-18 to use for the pay award and London Weighting anomaly
- Apprenticeships income reduced – restructure for apprenticeships commenced and would be completed within January 2024 – c200k staffing efficiencies
- Reduction in income in full cost courses
- Contingency used to compensate for loss of income

The Interim Principal/CEO advised the Committee of the following:

- Efficiencies – 200K on apprenticeships and 200K elsewhere in terms of staffing changes
- Staffing in previous budget included agency costs, vacancies and full establishment
- Estimated 8% vacancy factor in the College – dropped half of that into agency
- Safety margins – 8% vacancy factor would decrease as the College retained more staff and the agency cost decreased
- Budget needs careful monitoring on monthly basis
- Refined cash flow
- Original budget had a 400K deficit which did not include the post for the Director of ELIOT
- Monthly management accounts within 10 working days at the end of the month were key going forward

TA stated that it was reassuring to hear that the budget was designed to be more accurate and agreed that Governors needed to have a close and regular eye on the management accounts. Staffing had been a recurring theme in discussions, and it was questioned whether the proposed savings were possible when the College had previously been spending so much money on staffing. TA also enquired what impact the autumn statement had on the budget – the economic position was difficult and therefore how realistic was it that savings could be made.

The Interim Principal/CEO confirmed that the Autumn Statement had not yet been considered but the reduction in National Insurance should be advantageous. In terms of agency, the College already had a much better control of understanding staffing use, however, some figures for staff utilisation were c80% and this would be challenged with curriculum heads which would impact on approval for agency spend. Staffing would be challenging but there was confidence that savings could be made. The College had a new Principal/CEO coming in and had maintained a good reputation to attract staff.

AF stated that the Board knew the risk areas but until the IDPFR was appointed, this role had been vacant and the College had not had a stable financial history. It was prudent to monitor the budget at a very close level and approve on the basis that this would need to be revisited through management accounts and a quarterly review. It was noted that the c500K had been added to utilities as the College's current deals expired next year and were being considered.

The Chair stated the importance of the learner experience and the need to ensure this was not compromised, however, apprenticeships was a key area of concern. The Interim Principal/CEO replied that the apprenticeship unit had been set up to achieve c£2.6m but this had been revised to £1.4m in the budget. The focus had to be on retaining the apprentices we had and improving their experience.

The Chair referred to the reduction for student debt within non-pay costs. The IDPFR responded that Unit E had not been updated to the finance system therefore this was an extra cost. It was noted that the College's current CIS system needed to be updated.

FA asked whether the College were confident or assured that the structural change within apprenticeships would not impact on the budget. The Interim Principal/CEO advised that the proposed staffing structure had been benchmarked against other schemes and there would also be a Compliance Officer who would sit in the Apprenticeship office but report to CIS. The Chair noted that this needed to be closely monitored.

The Chair asked whether the vacancy factor had been scrutinised. The Interim Principal/CEO responded that the vacancy factor for October and November had been 12% therefore 8% was positive. Agency, full cost and AEB needed to be monitored to ensure an actual cash performance figure.

The IDPFR stated that a revised position would be presented in January 2024. The Committee agreed the budget subject to monthly monitoring and a quarterly review.

Approved: the revised 23/24 budget was approved for recommendation to the Board subject to monthly monitoring and a quarterly review.

TA left the meeting.

9. Health & Safety Annual Report 2022-23

The Interim Principal/CEO provided clarity on the four RIDDOR incidents which included:

- One member of staff not using PPE correctly and suffered a cut
- Student and vapes – one student passed out and fell
- Spiking of vapes- cardiac arrest
- Student filming in media and fell down the stairs whilst filming

The Committee were informed that all RIDDOR incidents had been fully investigated and reported.

The Interim Principal/CEO highlighted that the Health & Safety internal audit had gone very well, resulting in an audit opinion of strong assurance. Thanks were recorded to the Interim Assistant Director – Sustainability, Facility & Operations for his hard work and commitment.

It was noted that the pre-covid data and nature of incident data would be provided. Barking Learning Centre was reported through LBBB and this needed to be clarified.

AF stated that there was no reference to risk assessment of apprenticeships or work experience and the College had a duty to ensure learners were in a safe environment. The Interim Principal/CEO responded that a deep dive into apprenticeships on work placements had taken place and confirmed that the risk assessments were in place but these need to be reported. This would be included in the job description for the compliance officer position.

FA referred to the slight dip in completion percentages for staff training and asked whether this was a risk. The Executive Director – HR & Safeguarding (EDHS) replied that training needed closer monitoring and attention including active chasing. The Chair added that training was more about mindset and culture eg tailoring awareness campaigns to the areas of higher risk. The Interim Principal/CEO noted that the College had a two pronged attack on health and safety training and standard risk assessments for all practical activities were in place.

The Chair stated that references to continue of allocation of budget were raised twice in the report. The Interim Principal/CEO advised that there was an £11K is exclusively for health and safety. Only £8K had been spent the previous year but the budget had been preserved and there had not been a request for an increase.

	<p>The Chair recorded her thanks to the Health & Safety Team for the report.</p> <p>Agreed: That the current position be noted.</p> <p>Action: Pre-covid data and nature of incident data to be provided to the Committee.</p>
10.	<p>Freedom of Information Policy</p> <p>The CGO reported that the Freedom of Information Policy was presented annually to ensure good practice. A breakdown of details behind the requests received during 2022/23 was discussed, noting all requests had been responded to.</p> <p>Approved: That the Freedom of Information Policy be approved for future use.</p>
11.	<p>Treasury Management Policy</p> <p>The IDPFR reported that the Policy had been updated in the borrowing section to reflect ONS requirements. In terms of existing borrowing, the College had a term loan with a balance of £3m and had previously used a revolving credit facility which had now been cancelled as the money drawn down for the D Block refurbishment had been paid back within one month. The existing term loan would continue but if a change to terms was required, the College would need prior consent.</p> <p>Approved: The Treasury Management Policy was approved.</p>
12.	<p>Management accounts as at 31 October 2023</p> <p>The Chair noted that the accounts had not been updated to reflect the revised budget for 23-24 or 22-23 outturn and asked which elements the Committee needed to focus on. The IDPFR advised that the system would be updated once the revised budget was approved. The Committee were referred to the pay cost expenditure in Appendix 1, noting the year to date saving of £546K due to the vacancy factor.</p> <p>The Chair questioned what information would be available for the December Corporation meeting. The IDPFR replied that it would be difficult to finalise the management accounts for that meeting but the November/December accounts would be presented at the January meeting to discuss in detail.</p> <p>Agreed: That the current position be noted.</p>
13.	<p>HR Update</p> <p>The EDHS updated the Committee on the following key points:</p> <ul style="list-style-type: none"> - Each item in the report corresponded to new service priorities - Confidence in data - Equal split between lecturers and support staff – data to be interrogated to form a target area if required - Hired 113 people since August - Mission in terms of data – redefined how to capture people data, align fields to ensure an easy reference point between services -post driven establishment instead of the current people driven model - Leavers – trends in next report - 13 live vacancies – 49 current requests to approve - Purpose driven procedures – relied heavily on volunteers for the pantomime for Broadway – issues with HR now readdressing the work flow – intending to invite staff to volunteer at Broadway - Payroll workflow perspective – ensuring accountability and two teams work as a single team - Establishment design - Recruitment workflow - Keep Children Safe in Education amendments - Contact with the Union - Casework

- Level of absences and grievances
- Two current employer tribunal cases
- Finance data re absences to be included in future reports.

FA referred to staffing number in business support, advising that FTE figures were 175 for business support and 326 for teaching lecturers during Covid but there was now a significant change. AF advised that business support could also include learning support. It was suggested that the categories be renamed to distinguish between student facing roles and back office roles as student support could cover both of the original categories.

AF stated that it was refreshing to have a proper HR report. The list of areas hard to recruit was useful but it was questioned if the difficulty in recruitment was affecting the quality of teaching and learning. In addition, if there were no records of teachers being assessed, observed and action being taken for performance management this could be a vulnerability. The EDHS replied that the TLA process was thorough and working well and work was taking place to build in the management against achievement rates, attendance, marks in registers, observations etc which were all being very well handled. The Interim Principal/CEO added that the focus had been on academic staff and this now needed to follow with the support staff.

FA questioned whether there was a direct correlation between the number of leavers and how this impacted on teaching. The EDHS responded that HR and CIS data needed to come together. The Chair noted that HR data needed to also talk to curriculum & quality data to assess whether areas with a high rate of absence/vacancies could be viewed as a high-risk area from a curriculum and quality perspective and prioritise actions as needed.

The Chair thanked the EDHS for a very good report.

Agreed: That the current position be noted.

14. Suggested Revisions to Financial Regulations

The Chair noted the benefits in the approval limits suggested and questioned whether changes to the process would cause bottlenecks in terms of the approval process and whether the suggested levels of authorisation had been benchmarked. The CGO replied that there was confidence in the process as the Corporation had the ability to approve decisions by email or through Chair's actions if required. In addition, a review of GDPR contracts was taking place and levels of authorisation would be addressed alongside this to ensure the dates of renewal were noted in advance. The CGO and IDPFR had liaised with other colleges to receive copies of their Financial Regulations and the levels of authority proposed were in line with the examples provided.

The Committee were informed that the fully revised Financial Regulations would be presented at the January Committee meeting. After further discussion, the proposed levels of authorisation were agreed.

Agreed: That the proposed levels of authorisation were agreed for inclusion in the revised Financial Regulations.

15. Interim Principal/CEO – Update

The Interim Principal/CEO highlighted the following:

- The main body of the report had been discussed during the contents of the agenda except one priority - preparation work for the Estates Strategy – the Committee noted all of the activities in terms of latest developments
- Broadway Theatre – it was noted that Creative Barking & Dagenham were setting themselves up as a Charitable company – discussion ensued on the management position going forward

	<p>AF noted that it was good to see the focus on the Broadway Theatre and the Interim Principal/CEO confirmed that a full meeting to discuss the Theatre would take place in January 2024.</p> <p>The Chair thanked the Interim Principal/CEO for his report.</p> <p>Agreed: that the current update be noted.</p>
16. Sustainability Update	<p>The Committee were updated on the following:</p> <ul style="list-style-type: none"> - A lot of work taking place by the Interim Assistant Director – Sustainability, Facility & Operations - Streamline energy carbon report – all public funding bodies had to produce this: Scope 1 - gas 533 metric tonnes – objective of 506 action plan to achieve; Scope 2 – electric 876 tonnes – target 832 - Strong bid application in progress – weighting factor of Barking <p>Thanks were recorded to the Interim Assistant Director – Sustainability, Facility & Operations.</p> <p>Agreed: that the position be noted.</p>
17. EDI Update	<p>The EDHS reported that the new Principal/CEO would be taking the overall lead for EDI with the EDHS the lead for staff and the Director of Marketing the lead for learners.</p> <p>The Chair noted the need to consider KPI's for EDI as agreed at the Corporation Strategy Event.</p> <p>Agreed: that the current position be noted.</p>
18. AoB –Meeting Evaluation/Priorities for Next Meeting	<p>The following feedback was received:</p> <ul style="list-style-type: none"> • Very focussed • Difficult agenda - timely decisions <p>The Chair noted that this was the last Policy & Resources Committee meeting for the Interim Principal/CEO and thanked him for his input and contributions.</p>
Date and time of next meeting – January 2024 TBC	

The Chair thanked all those in attendance for their contributions and to the officers for their reports. The meeting closed at 19.02pm.

Agenda Item	Action	Responsibility	Timescale	Update
6.	A summary of ONS requirements against College compliance to be presented at the January Committee meeting.	CGO	January 2024	
6.	ONS to feature as a standing agenda item for relevant committees.	CGO	ASAP	Complete
7.	Additional Teams meeting to be convened to consider	CGO	ASAP	

	the Financial Statements 2022/23.			
9.	Pre-covid data and nature of incident data to be provided to the Committee.	Head of H&S	ASAP	

Signed.....
(Chair)

Date.....