



**Minutes of the Meeting of the Resources Committee Held on 23 June 2021
Commenced at 6:30pm via MS Teams**

Present

Viresh Paul (Chair) (VP)
Gideon Schulman (Vice Chair) (GS)
Sarbdip Noonan (Principal) (SN)
Kate Parsley (KP)

In Attendance

Bob Pattni (DP - Finance and Planning) (BP)
Robert Heal (Director of Governance) (RoH)
Lorna Elliot (HR Director) (LE) HR Item only.

The meeting started 15 minutes late due to overrunning of a prior Governance meeting.

1. Chair's Opening Remarks

VP welcomed all to the meeting and confirmed everyone was able to hear each other. It was noted that there was a hard stop at 8pm and as such we will focus only on the salient points for discussion or approval.

VP proposed that as this was a long agenda, he will treat the reports as having been read and that members will just raise any questions. Any items that cannot be covered will be deferred to a future meeting.

VP confirmed there had been no Chair's action since the last meeting.

2. Apologies for Absence

Apologies for absence were received from Rohit Bhatia (RB) due to personal reasons

3. Conflicts of Interest

There were no conflicts.

4. Minutes of the Meeting Held on 9 March 2021

The minutes of the meeting held on 9 March 2021 were taken as an accurate record.

5. Matters arising not on the agenda

BP confirmed that additional items on subcontracting had been issued and would be under AOB [items 14i & 14ii]

Meeting progression

VP then advanced item 9 HR Update and item 13 associated HR policies in the agenda to allow the waiting HR Director to attend and not to impact on her personal time any further. LE then joined the meeting. Item 9 and part of item 13 was taken. [minuted further below]

LE then left the meeting and the agenda resumed

6. Terms of Reference review

KP noted formatting error and would advise RoH separately. Approved

RECOMMENDATION

APPROVED

THE REVISED TERMS OF REFERENCE.

7. Annual Selection of Chair and Vice Chair

VP noted that he was going on sabbatical and this meant the Chairs position would be vacant

GS confirmed he was prepared to stand for Vice Chair.

Item was deferred to first meeting of next academic year

RECOMMENDATION

ITEM DEFERRED

THE ANNUAL SELECTION OF CHAIR AND VICE CHAIR

8. Program of Work

Taken as read

RECOMMENDATION

NOTED

THE PROGRAM OF WORK

9. HR Update

Taken after Item 5

VP stressed to focus on what has changed and identify areas that will impact the college.

LE identified that moving to Direct Delivery [of subcontracted work] may have a detrimental effect on pay costs. VP challenged that these have been financially accounted for. BP confirmed this had been understood moving from non-pay to pay costs and included in forecasts and budgets.

LE highlighted ethnicity % changes in staffing with a reduction in white staff levels. VP challenged whether the reason was known. LE noted that there was no specific reason for this and the College always employs the best candidate for the role. SN highlighted that the staffing ethnicity levels reflected the student ethnicity profile. VP noted this. LE continued that there had been no change in gender ratio and currently matches FE sector ratios. It was noted that disability and age ratios had not changed either. SN noted that the college has an aging workforce with the largest cohort being 50-64 age group. The college has a low staff turnover at 10.5% and well below FE sector at 20.4%. It can be seen that staff CPD hours have not been achieved, but this is due to additional working during the pandemic and will improve with staff training days planned in July. Staff absence has reduced in College, but has also reduced nationally. Currently we have no staff absent with covid, nor any isolating. We currently have 1 member of staff shielding and who is also absent for other reasons and there are no vulnerable staff shielding.

LE overviewed staff under disciplinary or capability and legal HR matters. VP challenged on a legal matter and this was identified as closed.

LE reviewed appraisal performance and highlighted that additional time had been given for mid-year reviews due to the competing workload demands recognised by the College. The College gender pay gap is monitored and matches national statistic levels.

VP thanked LE for a full and detailed report.

**RECOMMENDATION
NOTED
THE HR REPORT**

10. COVID 19 Business Continuity Update

SN highlighted point 2 and noted that the college had received the £250,000 claim for Covid additional costs. Student taster days were proceeding onsite unlike some other Colleges and 100 students expected and will proceed in upto 30 in a group bubble. Plans are in place for a return to onsite learning in College for 21/22 year, taking account of Government guidance and risks. The College has been visited by HSE to review Covid management processes and mass testing; and we passed.

VP challenged whether there were changes to the safeguarding policy. SN responded that changes were made regarding offsite provision and that mental health & evaluation toolkit from AoC has been included in sports services.

GS challenged that anti-slavery is under safeguarding, but question whether this follows through the supply chain.

SN suggested anti-slavery and anti-bribery should not be in safeguarding policy

G asked if there were separate policies.

SN said anti bribery is in financial policies, but anti-slavery is not required in our policies.

GS suggested this is something we should be doing

VP clarified understanding. BP clarified that the College select sub contract suppliers with the same ethos as the College.

GS confirmed the expectation that the College follow ethical policies and guidance. SN confirmed that this was covered under equality and diversity, as well as other HR policies. GS challenged that all checks are captured

VP confirmed that if these policies are required we should incorporate them.

SN will review to assess need for College anti-slavery policy [Section 54 of the Modern Slavery Act 2015]

KP asked the following questions via meeting chat

I'm presuming that unions and lawyers have checked all HR policies inc Sexual exploitation in the case of county lines and London living wage?

SN confirmed we do all

VP clarified that KP had sufficient answers and RoH asked that KP ask verbal questions in the meeting where all can hear rather than use meeting chat that could be missed.

**RECOMMENDATION
NOTED
THE COVID 19 BUSINESS CONTINUITY UPDATE
ACTION – ASSESS WHETHER ANTI SLAVERY POLICY REQUIRED**

11i. Risk Register

BP noted 3 changes. 2 had move to Green and 1 item moved to Red. The Red item relates to LGPS Pension actuarial valuation and it is unclear what impact the pandemic has had on the Pension investment fund. This is highlighted as a potential cost impact.

VP clarified that we have recommended a Governor to the LGPS Committee and this was confirmed by RoH. Simon Radford has been proposed. He will be invited to their July meeting and would

commence in September if appointed. SR was requested to make notes and feedback to this committee.

VR challenged on accounting for the impact of the LGPS actuarial valuation. BP confirmed the valuation would be carried out in July and included in College year end finances. However, this was a forecasted dip in fund value based on last years performance. VP asked for confirmation that appropriate risk steps have been taken. BP confirmed these risks were included in the financial management information, balance sheet and year end forecast.

RECOMMENDATION

NOTED

THE RISK REGISTER

ACTION – SR TO FEEDBACK FROM LGPS COMMITTEE

11ii. KPI's to May 2021

KPI's noted

SN highlighted attendance dropping due to courses finishing and applications increasing. However these KPI's were for May; and June KPI's will be published to Board next week and will show a more accurate picture of current performance.

VP questioned punctuality figures and SN confirmed they have increased , along with online learning and engagement; and that contract funding values will be achieved. This is a really positive picture. VP recognised that the College was continually improving in performance.

RECOMMENDATION

NOTED

THE KPI'S TO MAY 2021

12i. Management Accounts to 31 May 2021

BP noted there was an error in the balance sheet due to the £250,000 insurance claim being paid and included, but not journalled. The accounts were re-issued. However, this means we are reporting a £410,000 surplus as at May and a forecast £433,000 at year end. The Principal is robustly challenging the figures, but the likely outcome may be as high as £500,000 due to additional claims that may be paid in the period eg £31k mass testing and high needs income contracts recently agreed.

VP challenged bonus payments and SN responded that the committee agreed a one off payment to staff of £250. VP confirmed that this was acceptable and could be proceeded with.

VP congratulated the team.

RECOMMENDATION

NOTED

THE Management Accounts to 31 May 2021

ACTION – STAFF ONE OFF BONUS PAYMENT

12ii. Monitoring Report to 31 May 2021

Taken as read

RECOMMENDATION

NOTED

THE MONITORING REPORT TO 31 MAY 2021

12iii. ESFA Financial Assessment

BP explained the report. College is financially outstanding and forecast to remain as financially outstanding for foreseeable future. ESFA are now satisfied that we are no longer of concern and we are awaiting their formal confirmation letter.

VP – checked understanding and congratulated the team

RECOMMENDATION**NOTED****THE ESFA FINANCIAL ASSESSMENT****12iv. Funding Comparison 2020/21-2021/22**

BP highlighted that the college is increasing income year on year, whilst maintaining quality and learner base. SN stated there has been an ESFA strategic conversation which identified disparity between funding expectations. SN stated that the College had increased income through hard work and reminded Governors that it is lagged funding. They [ESFA] cannot move forward without providing additional funding the College deserves, where they have grouped T Level and academic students for funding purposes which equates to a £600,000 funding loss. The College are challenging the funding model.

RECOMMENDATION**NOTED****THE FUNDING COMPARISON 2020/21-2021/22****12v. Subcontracting & Direct Delivery Plans**

BP overviewed the plan to reduce the amount of subcontract operations for next year. The ESFA identify sub contract as a risk and this is a time-consuming requirement for management. Therefore we will move to Direct Delivery; where we hire facilities, have employed staff and carry out delivery ourselves with full quality and financial control. SN confirmed they are our staff and our students, we would just hire the facility. The College strategy is to reduce subcontracting by 10%. ESFA guidance is to have not more than 25% subcontract. We reduced from 19.8% in 19/20 to 12% in 20/21 and plan to drop to 5% next year. We are engaging with clubs that are still subcontracting to understand if they will become direct as well. We have lessons learned with Rayners Lane that are being applied to give a better control and deliver a better experience to future learners. SN confirmed moving to Direct Delivery was a steep learning curve, but ultimately well managed. VP reminded committee of original challenges when this subject arose last year. SN confirmed that contracts were put in place without quantitative measures, but now quality measures are imbedded.

VP questioned what sub contract remains other than Football. This was noted as 2 x Beauty salons, SN confirmed that these were not an issue, only sports programs.

BP confirmed there would be a full updated subcontract overview to next Resources meeting to include updates on other local organisations inc. Silver Jubilee Park and Dunstable.

RECOMMENDATION**NOTED****THE SUBCONTRACTING & DIRECT DELIVERY PLANS****ACTION UPDATED SUBCONTRACT OVERVIEW TO NEXT RESOURCES MEETING****12vi. Capital Expenditure 2021/22 and Pre-feasibility Capital Plans**

BP report covered normal capital expenditure and suggested we focus on £996,000 for T levels [which is match funded ie College £498,000 and ESFA £498,00]. To remind the committee, the guidance was to refurbish campus and develop our resources, but we have the prospect of that being wasted and demolished when other DfE capital plans evolve. The Committee previously did not wish to waste college or tax payer resources in that fashion. An additional opportunity is to do a light touch of £250,000 from College funds. SN gave an update from DfE meeting on 22 June and confirmed the DfE had agreed a significant capital campus rebuilding expenditure aligned to 3 of main buildings. The DfE have said that we can do a light touch as an interim, however they will refurbish when rebuild occurs. However, we must be ready for T levels and the ESFA £996,000 is a use it or lose it fund. We must do something to get ready for T levels. Whatever we do will be absorbed and rebuilt.

VP challenged that we have confirmation in writing. SN stated this is part of a process and we have weekly meetings, a technical advisor and team will assess the estate and draw up a plan, until then there is no confirmed value, but we know it will be a significant sum. VP confirmed understanding and that we would lose T level funds if not used. SN confirmed we could apply for a new application but it would be for a smaller sum and we are unclear when this is likely to be.

VP challenged, if we know what 3 buildings they will develop, can we spend the fund on other buildings? SN we have identified building Beech / Larch for T levels and would have to spend on these buildings to receive ESFA T level capital. DfE have assessed all buildings and identified the same buildings for capital refurbishment. The T level buildings were our choice.

GS challenged our capital bid development proposals and SN responded DfE would make their own judgement based on their assessment and the final design was unclear at this time. BP conformed we are moving from Pre-feasibility to Feasibility study phase.

SN clarified that these are two separate departments that are not talking to each other, one is ESFA funding T level capital and the other is DfE funding overall capital development. One says use the T level money to prepare for T levels and the other is suggesting we do a lighter touch from College funds and they will absorb the cost and demolish it soon after, but only if we do not use the T level funding. BP recommended we do a light touch of College funded £250,000 to ensure we are ready for T levels in September, which has been budgeted for. [Instead of £500,00 College funds to match the ESFA], but be mindful that this £250,000 may well be demolished in 18 months during the refurbishment. Meaning our exposure is only £250,000 and not £500,000.

VP challenged the value of T levels versus the £250,000 expenditure. BP explained that 40 learners equates to £200,000, but this would be an ongoing annual figure. SN reminded that other funding had been received and would be clawed back if T levels did not proceed. VP appreciated that whilst unfortunate, the expenditure was necessary for ongoing provision. BP reminded that the DfE had agreed that this £250,000 would also go towards our contribution to the capital build.

The expenditure of £250,000 was agreed.

RECOMMENDATION

APPROVED

THE CAPITAL EXPENDITURE 2021/22 AND PRE-FEASIBILITY CAPITAL PLANS

12vii. Indicative Budget and Forecast 2021/22

BP identified that it was robust and cautious; and had been thoroughly reviewed by the Principal.

We are expecting to grow, however there are no huge growth margins or expansion. If these come through they are considered a bonus. It includes moderate surpluses of £150,000 - 170,000 over years and mirrors expectation, including staffing changes from HR report where moving from subcontract to direct delivery pay costs. We remain outstanding financially and if approved can go to board next week.

VP challenged understanding and appreciated that BP had a good understanding of the figures; and that the Committee accepted the budget and forecast.

RECOMMENDATION

APPROVED

THE INDICATIVE BUDGET AND FORECAST 2021/22

13. Policies for approval

i. Fee Policy 2021/22

Updates to references, dates and titles; and an increase in international fees to £5,500

SN noted this policy is sector driven.

Approved.

KP left the meeting at this point. The meeting remains quorate

ii. Reserves Policy

From Resources and Audit & Assurance committees it has been noted that cash balances have been growing, requiring a change to the reserves policy. WE have limited Treasury investments and have to demonstrate why these funds exist. The revised policy is in line with the 5 Year Strategic plan and capital plans. Reserves are broken down into Capital, Revenue and Strategic. BP overviewed the reserves plan and cash balances.

VP challenged operational reserves cash balances. BP responded demonstrating the policy was capable of covering minimum seen levels. VP agreed that the revenue level was reasonable.

BP stated that the reserves would be in the management accounts and monitoring report.

VP agreed that the committee should be able to see what the balances are at any point.

BP agreed they would also be in the indicative financial forecast.

BP reminded that the DfE and ESFA would be able to see reserves when discussing affordability of capital bids and contribution to funding.

VP noted that the reporting should demonstrate that the reserves are in line with the reserves policy. The reserves policy was approved.

The following policies were taken after item 9 to allow the HR Director to withdraw from the meeting:

iii. Capability Policy & Procedure

No change. This policy is reviewed against ACAS and legal advice.

VP challenged this policy against a discussion arising in Governance meeting previously regarding staff under capability. SN would pick up with LE.

Approved pending any addition arising from Board capability discussion 29th June, SN to propose any amendment.

iv. Flexible working

Changes to authorisation levels from wider SLT to Executive and inclusion of appeal procedure.
Approved

v. Staff Development

Inclusion of mandatory training and refresh of appropriate qualification titles.
Approved

The meeting was then resumed at item 6

vi. Updated Financial Regulations

BP overviewed mandatory changes, inc. internal audit noted change of reference to Vice Principal, titles were amended to match current and inclusion of revised Post 16 Audit Code of Conduct references.

KP rejoined meeting at this point

VP appreciated the changes summary in the report
Approved

vii. Health and Safety Policy

BP stated it had been updated by Head of Estates inc. Covid and PPE regulations. Example were given on the correct use of excess PPE, that had been noted. Other areas updated inc gas use and storage, lone working and titles. BP noted the issue of vaping and use of vaping chargers on college property had been banned; where devices were not PAT tested and had poor manufacturing regulation.

VP challenged on how banned use was managed, BP replied vigilance, pastoral teams, guidance, policy and staff handbook with appropriate sanctions.

VP challenged a similar mobile phone concern, SN responded that mobiles were considered learner required devices and generally built to EU standards. These are risk assessed as required.
Approved

RECOMMENDATION

APPROVED

THE POLICIES

ACTION – CAPABILITY POLICY CHANGES FOLLOWING BOARD MEETING 29 JUNE 2021

14. Any Other Business

ESFA issued these papers after agenda submitted, but Executive felt it was required to bring them to committee notice without delay.

14i Subcontracting Supply Policy

BP confirmed policy updates and that College was in adherence to policy. Key updates are subcontract levels, selection & procurement, clear expectations. BP confirmed that anti-bribery and ant-slavery as discussed previously would be included. SN reminded that this would only apply to

the remaining 5% in 2021/22. BP noted the changes are very restrictive and the ESFA make it clear that they want less subcontract work.
The policy was approved

RECOMMENDATION
APPROVED
THE SUBCONTRACTING SUPPLY POLICY

14ii. Subcontracting Supply Chain Policy

BP overviewed the policy rules and rationale. Critically it is not for financial gain but to reach learners who are NEET (Not in Education Employment or Training). BP reminded that our quality assurances are robust which was challenged by VP. BP noted improvements and lessons learned progressing into Direct Delivery.

BP highlighted that there is no administration overcharging and should not exceed 20% as per the regulation. College policy is 20% or less.
Approved

RECOMMENDATION
APPROVED
THE SUBCONTRACTING SUPPLY CHAIN POLICY

VP accepted last minute changes were necessary and requested a full bundle be sent when issued or updated. Noted by RoH.

15. Date of next meeting - Tuesday 30 November 2021 at 6.15pm.

The meeting closed at 7:50pm

Action Points

Item	Action	Responsible	Timescale	Status
7	The annual selection of chair and vice chair Deferred to next meeting	DoG	November 2021	
10	Assess whether college anti-slavery policy required [Section 54 of the Modern Slavery Act 2015]	SN	November 2021	
12i	Staff one off bonus payment	SN/BP	August 2021	
12v	Updated subcontract overview to next resources meeting	BP	November 2021	
13iii	Capability policy changes following pt2 board meeting 29 June 2021	SN	October 2021	