



**Minutes of the Meeting of the Resources Committee Held on 20 June 2023
Commenced at 5:15pm via MS Teams**

Present

Gideon Schulman (Chair)
Annette Cast (Principal)
Mike Bluestone
Samantha Pickett

In Attendance

Bob Pattni (DP - Finance and Planning)
Lois Vassell (VP Curriculum)
Robert Heal (Director of Governance)

1. Chair's Opening Remarks

The Chair welcomed all to the meeting and especially the new Governor Samantha Pickett, thanked the Principal for the papers.
Chair had agreed to Chelsea contract in the interim period.

2. Apologies for Absence

Apologies Viresh Paul, Kevin Moir, Bob Pattni (Late)

3. Conflicts of Interest

There were no conflicts of interest noted.

4. Minutes of the Meeting Held on 21 March 2023

The minutes were approved and action items were within the meeting.

5. Matters arising

Mike Bluestone gave an update on Martyns law, which is a mandatory requirements for security of events. Education has been included as an enhanced duty premises. The draft bill has now been published. Due to be law next year. Requires a designated security officer, security risk assessments and plans. A regulator will be appointed and criminal sanctions apply. The Chair recommended Mike become a link governor and to meet with the estate team and security rep.-

action

6. HR external employment update

The Principal noted staff absence, although policy was clear, managers are not all adhering to policy. Th college has revisited the absence policy, retrained managers on sickness policy and logging. Historically there were 5% staff absences per day over last 3 years. This impacted the college and caused issues for students. Having introduced a refresh of the policy, we now have <1% staff average sick per day. These are being supported and reasoning understood. Today we had no unplanned absence other than known long term. Unions are challenging the change, but have been coached in the requirements.

The college has identified staff with second employments affecting absence, and we are taking action. HR will be sending out a letter to all staff. But we are already seeing a significant improvement.

Governors challenged the annual calendar. The Principal explained the civica system and its shortcomings. Civica are looking into the system capabilities and we are examining costs of development or system refresh. Governors challenged a sector specific system. The Principal stated we are challenging civica to develop the current system.

The Governors noted the HR update

The Deputy Principal joined the meeting.

7. Committee terms of Reference

The Governors approved the Terms of Reference

8. item rescheduled for November 2023

9i. Risk Register

The Deputy Principal overviewed the changes to the risk register post Ofsted. Pensions remain a risk and there remains very little we can do as its an actuarial valuation out of our control.

Requested an update from the co-opt Governor on pension committee - Action

Other risks moving to green. Financial risks remain amber due to pay negotiations with unions.

Governors challenged risks around lack of **reputational risks ie deterring learners and job applicants. The Deputy Principal would include in next iteration.- action**

Governors challenged power outages in the register and the use of UPS back up. The Deputy Principal explained our server back up, UPS, cloud systems and BCP plan. **Martyns law impacts to be included in risk register - action**

Governors challenged the CV-19 specific risks and suggest these ought to be more generic **Incorporate in next iteration - action**

The Governors noted the Risk Register

9ii Capital Build Risk Register

The Principal noted the audit committee review and that it was too similar to the college risk register

Governors challenged a review and return - action

The Governors noted the Capital Build Risk Register

9iii. KPI report

The Principal overviewed the absence and punctuality, and noted all colleges and schools are having similar issues. Targets cannot be reduced, but the college are improving induction and interviews of learners to set expectations for 23/24. The targets are not aligned to the satellites and college combined, the college are changing strategy on learner enrolment and targeting right learner on right course to ensure attendance. Results were explained regarding accurate forecasting, prudence. The College is Financially outstanding. Governors challenged student factors and the Principal explained actions to support student attendance and families to enable attendance through creches, nursery, food bank etc.

The Governors noted the KPI Report

10i. Management Accounts to April 2023

The Deputy Principal overviewed the accounts and noted that the College is doing well financially year to date, with a forecast surplus, subject to staff pay award. If a pay resolution is not found we cannot accrue for a pay award. We are not hitting 16-18 learner or adult targets, resulting in a clawback or lagged funding situation.

The Governors approved the Management Accounts

10ii. Monthly Monitoring

The Deputy Principal noted nothing of significance to report. Highlighted the second year of under achieving of learner numbers affecting financial allocations. Strain on 16-18 funding and may have a significant impact. The college are ahead of target on staff costs, absence improved, and non-pay costs have seen efficiencies. Governors challenged on recruitment strategy and retention. The Principal confirmed they have introduced a system of enrolment this year to improve retention. Students are more positive this year and student union are being used to encourage retention. Student interviews and culture of right learner on right course will also improve retention.

The Governors noted the Monthly Monitoring

10iii. ESFA Financial assessment

The Deputy Principal explained the statement as financially outstanding by independent review. There are challenges ahead and we may lose this accolade to stabilise the college learner number concerns. The Governors have access to the benchmark and can review online. The benchmarks were overviewed and noted that we are in a good position. The pay to income ratio is a future challenge.

The Governors noted the ESFA Financial assessment

10iv College Accounts Direction

The Governors noted the College Accounts Direction

10v. Funding Comparison 22/23 to 23/24

The Deputy Principal explained the associated spreadsheet and noted a drop in funding.

Overall ESFA/ GLA contract funding will decrease by £309,000, made up of

- ESFA 16-19 funding will decrease by £512,486 and 109 lea
- GLA AEB – overall funding will increase by £269,990 (Figure B).
- Other Funding Allocations including L3 Loans/Bursary, Apprenticeship, ACL & HE funding, will see an overall reduction of £66,535 (Figure C).

Stanmore has consistently delivered growth in ESFA/ GLA teaching and learning contracts whilst ensuring quality of delivery and good learner experience in recent years. However, for 2021/2022 and 2022/2023 the College has not met our 16-18 learner numbers and this has resulted in a fall of our ESFA contract for 2023/24.

The Governors noted the funding comparison.

10vi. Subcontract and Direct Delivery Plans 23/24

The Deputy Principal explained the risks associated with satellite centres and dispute costs have occurred; which has led to a strategic review of satellite centres, leading to changes. The Vice Principal confirmed the college are looking to consolidate and improve quality & experience, and that quality changes allow us to standardise with the core college. Governors challenged control and reliance and would like to visit. **Arrange a meeting at a satellite. – action**

The Deputy Principal continued that there is now no 16-19 sub contract , making it 19+ only except for odd 1 or 2 with Hair & Beauty, lowering the college subcontract % further still, to <2%. Governors challenged the management of subcontract and approved the reduction in %

The Governors approved the Subcontract and Direct Delivery Plans 23/24

10vii. Capital expenditure and capital plans

The Deputy Principal presented the plan to spend £987,000 with majority grant funded and £460,000 from ring fenced capital reserves. Cash balances continue to rise, but may add expenditure for GHR systems through capital expenditure.

Expenditure was explained across estates and H&S, but these funds are limited where they apply to buildings that are to be replaced. The DfE build is being reviewed on a regular basis, T levels now incorporated in new build, 44 BTEC's will be displaced by T levels and labs will be required and funded by DfE. The Draft letter now signed (next item) this facilitates capital spend on new build. DfE seeks any support to move project along with Local Authority. Bouygues team signed off pre service agreement, so this is now moving forward at pace.

Governors challenged working with Bob Blackman MP. The Principal confirmed.

The Governors noted the Capital expenditure and capital plans.

10viii. Capital Transformation programme outcome letter

The Deputy Principal overviewed the letter referred to above, final signed copy for our records. Schedule noted, key risk to be added to risk register, Oak building to be cut in half. Assurances received that it can be done, otherwise we need offsite or temporary catering.

The Governors noted the Capital Transformation programme outcome letter

10ix. Stanmore FECT letter

Confirmation of above received signed copy.

The Governors noted the FECT Letter

10x Indicative Budget outturn 22/23 & forecast 23/24

The Deputy Principal explained the budget and challenges. The ESFA issued a new Integrated Financial Model to complete in late May 2023 for the FE Sector. The College has assessed the model and input our forecast outturn to 31 July 2023 and considered assumptions, key risks to formulate our forecasts to 2027-28.

The College has reviewed the impact of the DfE College build and the strategic review of our Satellite Centres when preparing the Financial Plan. Given the reduction in 16-18 funding over the last 2 years, efficiencies will need to sought through:

- Non-pay savings
- Improved class sizes
- Staff utilisation/ contractual review

- The allocation of remission hours for teaching staff
- Organisation Structural Review

The College will also seek to bid for growth cases for additional income and deliver demand led provision for learners in North West London. Our financial modelling is in line with our new 5 Year Strategic Plan.

The Deputy FE commissioner has reviewed our plans and this is based on actual growth. Only realistically grow after Year 1 of capital build. Factoring assumed efficiencies. Governors challenged on additional costs , the Deputy Principal explained new posts on hold and other efficiencies.

Cash balance is healthy, fixed assets will rise, majority funded by DfE will leave a large capital grant liability for public funded assets on the books.

The Governors approved the Indicative Budget outturn 22/23 & forecast 23/24

11. Policies

Policies taken as read with no comment

Policies approved

12. Any Other Business

15. Meeting Review

Date of next meeting - Tuesday 28 November 2024 at 5:15pm.

Meeting ended at 18:53 pm

Signed

Chair

Date

Meeting continued with Part 2 Confidential

Action Points

Item	Action	Responsible	Timescale
Previous	Development of Environmental Sustainability Strategy	BP / LV	November 2023
5	Link governor for security – Mike B	RoH	October 2023
9i	Requested an update from the co-opt Governor on pension committee	RoH	November 2023
9i	Inclusion in risk register of reputational risks, martyns law and removal of CV19 specific risks	BP	October 2023
9ii	Capital Build Risk register refresh and represent	BP	October 2023
10vi	Resources meeting to be scheduled at a satellite location	RoH	November 2023