

MINUTES OF THE POLICY AND RESOURCES COMMITTEE
HELD ON MONDAY 27 SEPTEMBER 2021

PRESENT:

Paul Levet	Chair
Dr Fazal Dad	Principal and Chief Executive
Michael Lee	Member
Paul Morris	Member
Arif Patel	Member
Roger Spensley	Member
Steve Waggott	Member

IN ATTENDANCE:

Nicola Clayton	Director: Business Development and External Engagement
Jennifer Eastham	Vice Principal: Finance and Corporate Services
Damian Stewart	Assistant Principal: Teaching and Learning (Technical Centre)
Rachel Tarplee	Assistant Principal: Teaching and Learning (Academic Centre)
Jean Tracy	Clerk to the Corporation

The Chair welcomed colleagues to the meeting.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Kathryn Lord.

2. DECLARATION OF CONFLICTS OF INTEREST

The Chair advised those in attendance that should members of the Policy and Resources Committee become aware of any potential conflicts of interest, they should be disclosed at the earliest opportunity during the meeting.

3. MINUTES OF THE POLICY AND RESOURCES COMMITTEE MEETING HELD ON MONDAY 21 JUNE 2021

The Committee **APPROVED** the minutes of the Policy and Resources Committee meeting held on Monday 21 June 2021 a true and accurate record, and these were signed by the Chair.

4. MATTERS ARISING

The Committee noted the updates against action from a previous meeting included in the agenda document.

5. CAPITAL ALLOCATIONS 2022/22

The Report provided the Committee with detail on the proposed allocation of capital funding for 2021/22 and an update on the final position for 2020/21. The Vice Principal: Finance and Corporate Services provided an explanation on the difference in the actual amount capitalised in 2020/21 to that budgeted for, details being covered in the Report.

Information was provided on the capital expenditure requests received for 2021/22, a number being for student related IT requests, and the capital items to be carried over, most of which related to the Sixth Form works.

Having considered the Report, Policy and Resources Committee **APPROVED** the spend of the capital allocation of £1.5m for equipment and minor building works, the amount being as per the cash plan in the budget approved by the Board at its meeting on 2 July 2021 and the carry-over of £377k capital allocation for the Sixth Form student study and social space which had not been invoiced by 31 July 2021.

6. TUITION FEE POLICY, AND BURSARY AND SCHOLARSHIPS POLICY 2022/23 (HE AND FE) PLUS HE TUITION FEES FOR 2023/24

The Vice Principal: Finance and Corporate Services explained the reasons for fees being approved in advance and on the rationale for the fees being proposed, as per the paper.

A member of the Committee asked whether HE bursaries would be awarded on attendance, noting the impact of Covid. The Vice Principal; Finance and Corporate Services explained the process which would be followed where students were below the expected attendance; the decision would take into account the student's current position in terms of completion of work and assignments.

The Committee discussed the position of other local colleges in relation to student recruitment to HE provision, HE fees charged and the perception that charging less implied students would receive less. The College needed to ensure that students were reassured as to the quality of teaching and student experience they would be receiving. The Committee requested that, in order for the Committee to get a better view on the pricing issues, more information on local competition in relation to HE be provided next year.

Action: Vice Principal: Finance and Corporate Services

The Principal and Chief Executive commented on the decline in HE over a number of years, the need to reflect on the Government White Paper in relation to the provision of HE in FE, and on the College's HE portfolio.

Having considered the proposals for the FE tuition fees and scholarships, Policy and Resources Committee **APPROVED** the Tuition Fee Policy for 2022/23, the Bursary and Scholarship Policy for 2022/23 and the HE Tuition Fees for 2023/24.

7. SUBCONTRACTING ARRANGEMENTS 2021/22

The Report, which had also been considered at Audit Committee on 21 September 2021, confirmed that the College did not "subcontract out" and was not intending to do so during the 2021/22 academic year. If the position changed, approval would be sought from Policy and Resources Committee.

The Committee was updated on the "subcontract in" arrangements with both Accrington and Rossendale College and MIT Skills Ltd. It noted that the College would see out the existing contracts but, following the roll out of the Digital Apprenticeship Service (DAS), would not need to "subcontract in" for Apprenticeship starts in the 2021/22 academic year and beyond.

Policy and Resources Committee **APPROVED** the Report.

8. GOVERNORS' EXPENSES POLICY 2021/22 AND ANNUAL REPORT 2020/21

The Report provided a summary of Governors' expenses claimed over the 2020/21 financial year and that these had been paid in accordance with Charity Law and the Governors' Expenses Policy.

Having considered the report, Policy and Resources Committee **APPROVED** the Governors' Expenses Policy 2020/21 and the Governors' Expenses claimed in 2020/21.

9. STUDENT RECRUITMENT

The Vice Principal: Finance and Corporate Services presented the Report which provided an update on the College's current recruitment of FE, HE, Apprenticeship and commercial students against target and the actions being taken to continue to recruit. Information on the current enrolment figures was provided to the Committee. The Committee asked for information on the particular challenges in relation to HE recruitment and this was provided by the Vice Principal: Finance and Corporate Services.

10. CAPITAL PROJECTS UPDATE 2021/22

The Report provided the Committee with an update on the capital work in progress. It was **AGREED** that the paper and minutes would be classified as confidential and not for circulation.

11. REVIEW OF SANTANDER REVOLVING CREDIT FACILITY AND OVERDRAFT

The Committee noted the content of the Report and that, until the College contribution to the Victoria Building project had been agreed, the relevant paperwork to reduce the credit facilities would not be signed.

12. LIBOR/SONIA AND REVISED LOAN AGREEMENTS

The Vice Principal: Finance and Corporate Services presented the paper which included information on the impact to the College of the LIBOR (London Inter-Bank Offered Rate) cessation and the move to SONIA (Sterling Overnight Indexed Average). The Committee was informed that information had been received that SONIA would be broadly in line with LIBOR. A report would be given to the Chair of the Committee when the paperwork had been fully considered. The Chair of the Committee noted and approved that SONIA would be managed by the Bank of England.

13. MANAGEMENT ACCOUNTS TO 31 JULY 2021, PRE-FINALISATION

The Vice Principal: Finance and Corporate Services presented the Management Accounts up to the period ending 31 July 2021.

The Committee noted the pre-finalisation operating surplus for the year, which given the challenges of recruitment, Covid-19 and pension changes was a good outcome for the year. The accounts delivered financial health as Outstanding and met all three of the FE Commissioner's metrics and the loan covenants.

The Committee **AGREED** to recommend that the final audited version be presented to Corporation Board for approval and signature by the Chair of the Corporation Board and Principal and Chief Executive.

14. CONSIDERATION OF GOING CONCERN

The Vice Principal: Finance and Corporate Services presented a Report to consider the current 'Going Concern' situation of the College, in line with the fundamental accounting concept in the preparation of the Financial Statements.

The Report advised that no material uncertainties leading to significant doubt about 'Going Concern' had been identified and that the 'Going Concern' would be assumed when preparing

the financial statements, with a statement to this effect being included within the financial statements.

The Policy and Resources Committee approved and **RECOMMENDED** the paper to the Corporation Board for approval.

15. VALUE FOR MONEY REPORT 2020/21 AND PRIORITIES FOR 2021/22

The Report updated Governors on the purchasing activities for 2020/21 and provided the priorities and objectives for cross-College procurement in 2021/22. The Committee noted the information provided on the top 20 suppliers by turnover in 2020/21 and on how Value for Money was achieved.

A member of the Committee asked for an explanation on how the College achieved value for money in relation to gas and electricity prices. The Vice Principal: Finance and Corporate Services explained the work with the energy consortium, noting that costs were satisfactory for at least the next 6-9 months but that these could be impacted by higher rates, were the markets not to have settled by that time.

The Policy and Resources Committee **RECEIVED** the Value for Money Report 2010/21 and Priorities for 2021/22.

16. COLLEGE KEY PERFORMANCE INDICATORS

(i) 2020/21 – UPDATE AT JULY 2021 (PRE-FINALISATION)

The Committee considered the information provided; the final outcome would be reported at the next meeting. Of the 23 Key Performance Indicators (KPIs), 16 were on target, 1 was on target in part, 4 were under target and 2 were not yet reportable. The table included 'direction of travel' and information was provided in the Report on the explanations and reasons for those KPIs which were under target. The Committee noted the information on staff turnover, which had risen significantly in the later part of the year but which had been very low earlier in the year, but which was still less than the AoC benchmark.

(ii) 2021/22 – PROPOSED TARGETS

The Committee considered and **APPROVED** the proposed Key Performance Indicators for 2021/22.

17. STRATEGIC PLAN 2019-2022 – ANNUAL OPERATING STATEMENT

- **2020/21 ACTUALS PRE-FINALISATION**
- **2021/22 PROPOSED TARGETS**

The Report provided the Committee with the final progress for 2020/21 and the proposed Strategic Plan targets for 2021/22. Full details were provided in the appendices. The Committee was reminded that due to the impact of Covid-19 in 2020/21, a number of projects had not progressed as quickly as planned and that a number of KPIs, as previously reported, had been severely impacted, the details being as per the Report.

Having considered the report, the Committee **AGREED** the proposed targets for 2021/22.

18. HUMAN RESOURCES ANNUAL REPORT 2020/21

The Report provided information on the core HR data set for the period 1 August 2020 to 31 July 2021. The key issues identified within the Report were discussed in detail and the following was noted:

- As at 31 July 2021, 766 staff (543 Full Time Equivalent (FTE)) were employed by the College on different contracts; the actual head count was 709. This was a reduction from the same point in the previous academic year where the number of staff employed on different contracts had been 802 and the head count had been 750.
- The College population remained predominantly female (65%) which remained consistent compared to the same period in the previous year (64.71%) and sector norm of 63%¹.
- The proportion of Minority Ethnic staff at the College currently stood at 19.45%. This had shown a consecutive increase year on year (last year 18.83%).
- The proportion of staff with a declared disability remained at 9%, noting that the College continued to welcome and support staff with declared disabilities, investing in occupational health support and the College Employee Assistance Programme.
- There was still a requirement for the College to continue its pursuit of taking on more apprenticeships as the under-20 age group remained under-represented. It was again noted that sector data (AoC 2019) indicated that apprentices accounted for only 1.3% of college sector employees.
- Annual staff turnover was 17.39% (15.35% excluding lateral flow test support assistants) compared to 12% at the same time last year. This was below the FE sector national norm of 18.2% (AoC 2019).
- Case Management had reduced when compared to the previous year; 20 cases compared to 37 in the previous year.
- The annual rolling sickness absence rate stood at 3.2% and was in line with the North West College sector norm of 3.1%.

19. ORGANISATIONAL DEVELOPMENT ANNUAL REPORT 2020/21

The Report provided information on the Organisational Development data set for the period 1 August 2020 to 31 July 2021. The key issues identified within the Report were discussed in detail and the following was noted:

- The staff development challenges and opportunities during lockdown
- The improvement in staff satisfaction with Staff Development – 75% at the end of January to 97.5% at the end of July 2021
- Appraisal completion rate stood at 98% against a target of 95%
- Mandatory training showed an improvement on the previous year, with 99% completion across the College, with five of the eight areas reporting 99% or above and the remaining three at 98% completion
- Staff Survey – covered elsewhere on the agenda.

20. HEALTH AND SAFETY ANNUAL REPORT 2020/21

The Vice Principal: Finance and Corporate Services presented the Health and Safety Annual Report for 2020/21 which provided information on key health and safety activities during the academic year. This included accident statistics, the Health and Safety Committee, legislative changes, Covid-19, risk assessment monitoring, audits and inspections, personal emergency evacuation plans (PEEPs), off-site trips and visits, occupational health surveillance and environmental monitoring, mental health, staff training and external events.

The Committee noted that overall incidents during the year had reduced, and reviewed the data within the Report which provided a three-year comparison of incidents by type. In answer to a question from a member of the Committee, the Vice Principal: Finance and Corporate Services confirmed that the incidents of 'slip, trip or fall' were not related to poor state of repair of the campus.

The Chair commented that the College had performed well in the management of Covid but was surprised that the number of staff who had caught Covid was higher than the number of students.

¹ AoC College Workforce Survey – Summary of Findings – 2017/18 (published 2019)

The Vice Principal: Finance and Corporate Services explained the likely reasons for this difference.

21. MODERN SLAVERY ACT

The Committee was reminded that as part of Section 54 of the Modern Slavery Act 2015, organisations with a turnover of more than £36 million were required to produce a statement setting out the steps they had taken to ensure that there was no modern slavery in their own business or its supply chains.

The Vice Principal: Finance and Corporate Services explained that the statement was to be published on the College's website within 6 months of the College's year-end, and was common across many public sector bodies and had been used by the College for several years.

The Policy and Resources Committee **AGREED** to recommend the statement to the Board for adoption by the College and sign-off by the Principal and Chief Executive at its meeting on Friday 15 October 2021.

22. SCHEME OF DELEGATION

The Report provided Policy and Resources Committee with the amendments/updates to the Scheme of Delegation.

Having considered the Report, Policy and Resources Committee **AGREED** to recommend the amended Scheme of Delegation to the Corporation Board for approval.

23. OVERSEAS ANNUAL REPORT 2020/21

The Committee received the Overseas Visits Annual Report for 2020/21 which provided detail of overseas business trips and overseas educational visits in the previous academic year. This Report had not been considered by any other Committee.

During the 2020/21 academic year, it was reported that there had been no overseas business trips involving staff, any member of the Principalship, or members of the Board. There had been no educational visits to an overseas destination.

The Policy and Resources Committee **RECEIVED** the Overseas Visits Annual Report 2020/21 for information, noting that a Report would be presented to the Corporation Board for information at its meeting on 15 October 2021.

24. SENIOR POST HOLDER TRAVEL AND HOSPITALITY 2020/21

The Committee noted the summary report on expenditure in respect of travel and hospitality for Senior Post Holders in 2020/21, noting that these had been approved in line with financial procedures and that detail of the travel and hospitality would be included in the Financial Statements.

25. FREEDOM OF INFORMATION REQUESTS 2020/21

The Report provided information on the volumes and types of Freedom of Information requests received in 2020 and 2021 to date and was received for information.

26. ANY OTHER BUSINESS

There were no items of Any Other Business.

27. REVIEW OF MEETING

Members of the Committee congratulated the College on setting up the University Board room to allow for Teams and hybrid meetings. The Principal and Chief Executive thanked the Vice Principal: Finance and Corporate Services for her involvement and the Clerk for her input.

The Chair thanked Members present for their attendance and contribution at the meeting.

28. DATE AND TIME OF NEXT POLICY AND RESOURCES COMMITTEE MEETING

Monday 29 November 2021 at 5.00pm.

Signed:

Date: