

MINUTES OF THE POLICY AND RESOURCES COMMITTEE
HELD ON MONDAY 13 MAY 2024

PRESENT:

Arif Patel	Chair
Dr Fazal Dad	Principal and Chief Executive (arrived 5.25pm)
Michael Lee	Member
Nadeem Memon	Member
Ridwaan Omar	Member

IN ATTENDANCE:

Corinne McMillan	Co-opted member
Jennifer Eastham	Vice-Principal: Finance and Corporate Services
Rachel Tarplee	Vice-Principal: Curriculum and Quality
Nicola Clayton	Director of Business Development and External Engagement
Steve Nunwick	Director of Facilities and Estates
Stefano Pacelli	External Funds Manager
Sarah Horeesorun	Director of Governance

The meeting commenced at 5pm and was quorate.

The Chair welcomed everyone to the meeting and for the benefit of Stefano Pacelli who was to present Item 5, there were round table introductions.

The Chair suggested that Items 5 and 7 and 8 to 10 be covered before Stefano Pacelli and Steve Nunwick leave the meeting and the members return to Item 6. This agenda handling was agreed by members, and for presentation purposes, the items are recorded in agenda order in these minutes.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received in advance from Fran Crossland, Paul Morris, and Steve Waggott.

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 26 FEBRUARY 2024

The Committee **APPROVED** the minutes of the Policy and Resources Committee meeting held on Monday 26 February 2024 as a true and accurate record, and these would be signed by the Chair.

4. MATTERS ARISING

The Committee noted the updates on the actions from the previous meetings.

5. PRESENTATION ON EXTERNAL FUNDING

The Director of Business Development and External Engagement introduced a presentation on external grants, bids, and funding, before handing over to Stefano Pacelli, External Funding Manager, who informed members that the College had benefited from over £10m in 6 years through revenue and capital grants.

For the majority of the projects, employers were engaged from the outset to help inform, influence, and shape the design and content of the project and curriculum delivery, be that advice on the latest equipment, sharing knowledge of the industry or provision of work experience opportunities.

The Committee noted the close working with employers and the mutual value this brings to the staff, students, and employers, and that the current priorities were Engineering, Hospitality, Construction, Digital and Cyber, Health, HEAT and Hydrogen, Skills Bootcamps and Levelling-Up funding.

The Committee thanked the Director of Business Development and External Engagement and Stefano Pacelli for the presentation. Stefano Pacelli left the meeting.

6. MANAGEMENT ACCOUNTS TO 31 MARCH 2024, INCLUDING REFORECAST

The Vice-Principal: Finance and Corporate Services talked the Committee through the financial position.

The Committee thanked the Vice-Principal and the Finance Team for managing the finances well and were reassured that the College was in a healthy financial position.

The Committee **RECOMMENDED** the Management Accounts to the Corporation Board for approval.

7. COMMERCIAL AND EXTERNAL FUNDING UPDATE

Much of the progress and updates on bids and funding had been covered in the presentation at Item 5.

The Director of Business Development and External Engagement praised the work of the Commercial Team.

The Committee noted the content of the Report and thanked the Director of Business Development and Employer Engagement and her Team for their hard work.

Stefano Pacelli left the meeting at 5.30pm.

8. HEALTH AND SAFETY UPDATE

The Director of Facilities and Estates provided an overview on the current position of incidents during the spring Term 2024. He added that the data was being provided to Heads of School, particularly in high-risk areas such as Health and Beauty, Carpentry and Hospitality, to learn from accidents, raise safety awareness and prevent further incident.

The Committee noted the content of the Report.

9. NET CARBON ZERO

The Director of Facilities and Estates provided an update on progress towards the 31 step FE Climate Change Roadmap.

Steady progress had been made, and this was detailed in the Report. In addition, a survey of the LED lighting throughout the campus had been completed that could help identify areas for energy and cost savings.

Furthermore, a meeting had been arranged between the Director of Facilities and Estates, the Vice-Principal: Facilities and Estates and a Committee member who leads on Sustainability with the aim of establishing the carbon footprint baseline and discussing other activities to help deliver on the sustainability targets.

10. CAPITAL PROJECTS UPDATE

The Director of Facilities and Estates updated the Committee on progress on campus developments. The strip-out of the Victoria Building was nearly complete and the scaffolders would be on site until mid-September 2024.

Summer works included the refurbishment of the HE library and the Director had shared with members a video of what the library space would look like once refurbished.

The Committee noted the planned spend for the works as detailed in the Report and agreed the headline budgets as set out in the approved Financial Regulations.

The Chair thanked the Director of Facilities and Estates for his contribution to the meeting on this and other Agenda Items.

The Director of Facilities and Estates left the meeting at 17:55pm.

11. STRATEGIC PLAN 2022-25 – ANNUAL OPERATING STATEMENT 2023/24 UPDATE AS AT 31 MARCH 2024

The Vice-Principal: Finance and Corporate Services explained that at this point, the College was mid-way through the 2022-25 plan. As of 31 March 2024, 6 were on target, 6.83 on target in part, 0.5 were under target, and 9.67 were not yet reportable as they were based on full year data.

Members noted the progress made so far in year and the planned activities. No further comments were made

12. COLLEGE KEY PERFORMANCE INDICATORS (KPIs) 2023/24 – PROGRESS AT 31 MARCH 2024

The Committee reviewed the progress made so far on the KPIs for 2023/24 and noted:

- 13 - on target
- 2 - on target in part
- 6 – under target
- 2 – not yet reportable

The Committee noted the progress made so far on the KPIs for 2023/24.

13. BUSINESS PLANNING UPDATE – BUDGET 2024/25

The Report provided the Committee with an update on the process of Business Planning, the end result of which would be the Colleges' budget for 2024/25 and a set of student number targets.

The Vice-Principal: Finance and Corporate Services outlined the process and explained that the Executive were working through the budgets line-by-line until they reached an acceptable plan-key issues and considerations were detailed in Appendix One. The outcome of the Business Planning exercise would inform the budget 2024/25 to be presented to the Committee at the next meeting on 17 June.

The Committee noted the income and surplus, and the increase in costs related to staffing and repairing the estate.

The draft budgets would continue to meet the ESFA Outstanding Financial Health criteria, loan covenants and FE Commissioner metrics.

The Committee noted the update on Business Planning.

14. HUMAN RESOURCES – UPDATE AS AT 31 MARCH 2024

The Vice-Principal: Finance and Corporate Services talked the Committee through the Report and supporting Appendix providing the core HR data for the period ending 31 March 2024.

The Committee noted that staff turnover had reduced compared to the same time last year and staff sickness absence had also reduced.

The Committee were pleased to note improvements and progress made.

15. SUBCONTRACTING ACTIVITIES - UPDATE

The Director of Business Development and External Engagement confirmed that this was the second year that the College had worked with Blackburn Rovers Community Trust for delivery of 16-18 Sports provision. The College has undertaken significant quality assurance and support activities to ensure the subcontract delivers and this has provided positive outcomes.

A clear plan of work was in place and the Committee noted that the subcontract would be amended for term three as the college would be delivering English and maths for the BTEC Sports students from then on.

The Committee were pleased to note that the DfE had confirmed that the subcontract assurance audit for 2022/23 had met the subcontracting standard. The Director confirmed that the College would continue to monitor the subcontract to the subcontracting standards and provide the required oversight of the subcontracting arrangements and performance to Governors through reports to the Committees.

The Committee commended the Director of Business Development and External Engagement on the successful outcome of the Subcontracting Audit.

16. ESFA COLLEGE FINANCIAL STATEMENTS LETTER

This Report and copy of the ESFA College Financial Health letter was provided to the Committee for information and included, at Appendix Two, an example of the ESFA financial Dashboard showing key funding information benchmarked against the sector.

The Principal and Chief Executive confirmed that this was the 4th year that the College had retained Outstanding Financial Health and acknowledged the hard work of all of the staff who had contributed to the College retaining this strong position.

Members noted the letter and Report and asked that the Principal formally thank staff on behalf of the Committee.

17. NEW FINANCIAL HANDBOOK FOR COLLEGES

This Report was supplied for information and advised members that the ESFA had released the new College Financial Handbook on 20 March 2024. A copy of the handbook was at Appendix One and was a framework for implementation of effective financial management and other controls, consistent with the Colleges obligations as a public funded body. The College must comply with this handbook from 1 August 2024 as a condition of the Accountability Agreement.

Members received this Report and Handbook for information.

18. YEAR-END ACCOUNTS 2022/23 – THE LANCASHIRE COLLEGES Ltd.

The Committee is briefed on the ventures in which the College has an interest. The College is a member of the Lancashire Colleges Consortium Ltd (TLC). This Report provided the Committee with background on the TLC and highlighted that the TLC income generated, surplus and cash balance had increased.

The Report and TLC year-end Accounts were supplied for information.

19. ANY OTHER BUSINESS

There were no items additional items under any other business.

20. REVIEW OF THE MEETING

The Chair thanked Committee members for their contributions and there followed some discussion of how the Committee might help drive improvement in its areas of responsibility if looked at through the lens of 'outstanding.' For example, the College finances were outstanding, but what more can the College do to improve quality and people management to become outstanding also.

The College was in a strong financial position with a track record for delivery and there will be opportunities to grow the college to meet the needs of the local community, employers, changing labour market, and curriculum. There was acknowledgment of the need for a more businesslike approach to expansion and growth and management of risk.

The Committee would like to explore further, and have discussions on, Higher Education, the Adult Education Budget and Combined Authorities, Martyn's Law and HR and Succession Planning

21. DATE AND TIME OF THE NEXT POLICY AND RESOURCES MEETING

Monday 17 June 2024 at 5pm in the Exchange Boardroom and via MS Teams.

The Committee then considered the Part II agenda items – minutes recorded below.

Signed:

Date: