

MINUTES OF THE POLICY AND RESOURCES COMMITTEE
HELD ON MONDAY 18 MAY 2020

PRESENT:

Paul Levet	Chair
Dr Fazal Dad	Principal and Chief Executive
Michael Lee	Business Support Staff Governor
Paul Morris	Member
Arif Patel	Member
Roger Spensley	Member

IN ATTENDANCE:

Nicola Clayton	Director of Business Development and Employer Engagement
Jennifer Eastham	Vice Principal: Finance and Corporate Services
Sharon Germaine-Cox	Director of Human Resources and Organisational Development
Jean Tracy	Clerk to the Corporation
Caroline Wilson	Note-taker

It was noted that the meeting commenced at 16:59 and was quorate.

The Chair welcomed colleagues to the meeting and welcomed Paul Morris and Arif Patel to their first meeting as members of Policy and Resources Committee.

The Chair thanked College staff for their hard work during the Coronavirus pandemic.

The Clerk went through the format of the meeting, this being the first time the Committee had met using Teams. It was confirmed that none of those present would have to leave the meeting early, thus ensuring that the quorum was maintained. The Business Support Governor's objection to his being asked to leave for Part II Items 23 was noted.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Professor Waqar Ahmed, Kathryn Lord and Steve Waggott. It was noted that Joanne Calcutt was unable to attend.

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 2 MARCH 2020

The Clerk noted an amendment to Item 13 – the age range quoted should have read “50-59”. With this amendment, the Committee **APPROVED** the minutes of the Policy and Resources Committee meeting held on Monday 2 March 2020 as a true and accurate record, and these would be signed by the Chair when able to do so (Covid-19 lockdown).

4. MATTERS ARISING

The Committee noted the updates against actions from previous meetings.

5. TUITION FEE POLICY INCLUDING BURSARIES AND SCHOLARSHIPS 2020/21

The Committee was reminded that the HE Tuition fees had previously been approved by the Committee in November and had been included in the document for completeness. There had been very few changes from the previous year's fees, a number of fees being prescribed by the Government, including bursaries set against them.

The College was asked to explain why the full-time HE undergraduate fee had remained unchanged since 2017/18 and whether there would be an impact on tuition fees going forward regarding the increase in online delivery.

The Policy and Resources Committee **APPROVED** the Tuition Fee Policy including Bursaries and Scholarships 2020/21.

6. MANAGEMENT ACCOUNTS – PERIOD ENDING 31 MARCH 2020

The Vice Principal: Finance and Corporate Services presented the Management Accounts up to the period ending 31 March 2020. The management accounts for April 2020 would be circulated to Committee members.

Action: Vice Principal: Finance and Corporate Services¹

For the benefit of new members of the Committee, the Vice Principal: Finance and Corporate Services explained that the intention was to break even, the College did not have to make a surplus, and to retain or increase cash balances. The Financial Health as measured by Education and Skills Funding Agency and the FE Commissioner's metrics were also explained, it being noted that the Financial Health remained 'good' but that not all the FE Commissioner's metrics had been met. Full details were contained in the Report.

An explanation of the reasons for the current deficit position being worse than expected was received. The Committee noted the information provided in the Report on the key issues in relation to income, pay and non-pay costs and balance sheet and cash.

The Committee noted that cost savings and reductions were continuing to be made and that the College had been on target to deliver the reforecast figure. However, since Covid-19 all delivery had to be moved to home-delivery, including commercial provision, and recruitment to AEB²/Apprenticeship had halted, which had impacted adversely on the funding. Companies were also not wanting to invest in CPD. The forecast in light of Covid19 was expected to be a £849k deficit.

In answer to a question from a Committee member, it was confirmed that the March accounts did not include impact of Covid-19. The Vice Principal: Finance and Corporate Services explained that income would be received in relation to those staff who had been furloughed, from grant applications and the payment received for students who achieved their qualifications. The College was continuing to work on the latter and to increase student internal progression.

¹ Emailed 1 Jun 2020

² Adult Education Budget

7. ESFA FINANCIAL STATEMENT LETTER

It was confirmed that as a result of the current situation, the letter from the ESFA confirming the College financial health as Good) had not yet been received. The letter would be brought to the next Committee meeting and shared with Governors when received.

8. COLLEGE KEY PERFORMANCE INDICATORS 2019/20 – UPDATE AT MARCH 2020

The Committee received an update on the College's position against the Key Performance Indicators (KPIs) for 2019/20. An explanation of the KPIs was provided for new Committee members. It was noted that the College was continuing to focus on the KPIs which were currently under target. Information on these was contained in the Report.

In answer to questions raised by a member of the Committee, the Vice Principal: Finance and Corporate Services explained the staff appraisal and room utilisation targets. It was noted that the space utilisation had also been raised at the Board Strategic Seminar, the College campus having been built at a time when student numbers were higher, and that the College would look to increase utilisation, e.g. by renting space.

9. STRATEGIC PLAN 2019-2022 ANNUAL OPERATING STATEMENT – UPDATE AS AT 30 APRIL 2020

The Report provided the Committee with an update on progress towards the Strategic Plan targets for 2019/20. The measures which were currently under target were noted, with the explanations for each of these being covered elsewhere on the agenda. As previously requested, the Report included information on the link to the College KPIs.

10. BUSINESS PLANNING UPDATE

The Vice Principal: Finance and Corporate Services provided the background to the business planning process.

The Committee noted the impact on future years of under-recruitment in the current year in both FE and HE. The Committee discussed the expected recruitment challenges for 2020/21 and beyond and the potential impact after the College comes out of Covid-19. The need to plan quickly and recruit well, to improve the Ofsted grade by ensuring students receive high quality education and to maintain financial health were key going forward.

The Principal and Chief Executive informed the Board of the work already taking place with Job Centre Plus for online training for those individuals who had lost their jobs. Whilst the number of learners could increase as a result of the current situation, the volume of apprenticeships was likely to fall.

Having considered the Report and the key issues detailed within it, it was noted that the content would be incorporated in the budget paper which would be presented to Policy and Resources Committee at its meeting on 22 June 2020.

11. COMMERCIAL ACTIVITY 2019/20 TERMLY UPDATE

The Director of Business Development and External Engagement provided an update on the Commercial Provision and External Funding bids, noting that the Report had not been considered by any other Committee.

It was reported that income was slightly behind profile agreed by all Centres. Activity to support the Commercial provision included: where possible, delivery using online methods; adding to the current e-learning provision; events throughout the year which enabled promotion of provision and provide further opportunities for business development;

The Committee also received a summary document which provided an update of the External Funding bids and it was noted that the College was expected to exceed the income target by a small amount, circa £40k.

The Committee thanked the Director of Business Development and External Engagement for the update and noted the information provided

12. SUB-CONTRACTING

A Report, which provided detail of the sub-contracting activities, was received. It was noted that this had not been discussed by any other Committee.

Background information on sub-contracting and the ways in which the College worked with other training providers was provided for those members new to the Committee.

Information on the two sub-contracting-in contracts for non-levy apprenticeships was considered. The Director of Business Development and External Engagement explained the current position in relation to learners signed up with MIT Skills Ltd. and the various options which had been put in place to secure funding for all learners.

The Committee thanked the Director of Business Development and External Engagement for the update and noted the information provided.

13. EVALUATION OF EAP SCHEME

As requested by the Committee, the Report provided an overview of the usage and take up of the Employee Assistance Programme (EAP) following the first twelve months of its implementation.

The Committee noted the detail provided in the Report covering the range of assistance available, staff take up, the cost of the scheme and savings via the College Occupational Health Provider in counselling costs.

The Director of Human Resources and Organisational Development was asked for and provided feedback on use of the scheme during Covid-19, its availability having been promoted by the College.

The Committee noted that the next update report would be at the end of June 2020 and would go through the Health and Safety Committee.

The Committee thanked the Director of Human Resources and Organisational Development for the update.

14. HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT STRATEGY 2019/20 PROGRESS REPORT

The Report summarised progress in delivering the key activities for the three-year Strategy, this being the second year. The eight key areas of focus within the Strategy were noted, together with the progress made under each and the work to be undertaken in the coming year to ensure all outcomes were achieved and to progress the next three-year Strategy. There were no major areas of concern and it was expected that the College would be able to complete the Strategy within the next 12 months.

15. COLLEGE POLICIES UPDATE (INC. SCHEME OF DELEGATION IF NECESSARY)

As requested by the Corporation Board in March 2019, the Report provided an update on any amendments to Human Resources and Organisational Development policies and procedures together with a summary of the approval processes undertaken.

The Chair thanked the Director of Human Resources and Organisational Development for the Report, commenting that it provided assurance that approval process was as agreed by the Board.

16. POLICY AND RESOURCES COMMITTEE

- i. **Meeting Dates 202/21 and 2021/22**
- ii. **Annual Calendar of Business 2020/21**
- iii. **Review of Terms of Reference for 2020/21 and Performance Against for 2019/20**

Meeting Dates 2020/21 and 2021/22 and Annual Calendar of Business 2020/21 – The proposed meeting dates and annual Calendar of Business for the Policy and Resources Committee were **APPROVED**.

Review of Terms of Reference for 2020/21 and Performance against Terms of Reference for 2019/20 – Members were advised that the Committee had satisfied all but one of the requirements under its Terms of Reference for 2019/20; this relating to the Committee members' attendance where 'partial' completion had been recorded. The Clerk reminded the Committee that attendance was monitored and considered by the Committee Chair and also by the Governance Panel.

There were no proposed changes to the Terms of Reference and this was supported by the Committee.

The Policy and Resources Committee **AGREED** that the items discussed be presented to the Corporation Board for approval.

17. YEAR END ACCOUNTS 2018/19 – LANCASHIRE COLLEGES' CONSORTIUM

The year-end accounts (to 31 July 2019) for The Lancashire Colleges were received by the Committee, for information.

The Committee was reminded that the College was a member of The Lancashire Colleges Ltd, which was a Company Limited by Guarantee, and the Report explained that the annual membership provided the College with access to wider scale funding bids and other partnership/consortium type arrangements.

Income generated during the reportable period (£547k) was significantly higher than previous years due to a £90k provision for clawback of ESFA funding from 2007-2013 being released to the accounts.

Cash balances stood at £428k, which was similar to the previous year. A plan had been requested previously on how that would be utilised but this had not yet been presented.

18. HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT UPDATE REPORT 2019/20

The Report was provided for information, it being noted that the staff appraisal percentage now stood at 94%.

19. ANY OTHER BUSINESS

The Principal and Chief Executive provided an update on the College’s planning for re-opening.

Guidance from the DfE had been received, their being an expectation that Year 12 learner would receive some sort of face-to-face tuition. The Vice Principal: Finance and Corporate Services was a member of a national AoC Board looking at how colleges will re-open. Staff were aware of all guidance and were looking to identify those learners who needed to return to complete practical assessments so as not to be disadvantaged for progression. An update³ would be provided to all Governors.

The Committee was informed that the Saturn Centre, where the commercial Gas provision was delivered, had re-opened. Risk assessments and all necessary PPE were in place and staff had been taken through the process. The response from the unions was noted. The opening of the MOT centre as commercial provision was also being considered. The Health and Safety Manager had been involved in the plans and had significant experience in the role.

There were no other items of Any Other Business.

20. REVIEW OF MEETING

The Chair thank Members present for their attendance and contribution at the meeting, commenting that it was important to continue with normal business in order that College staff could concentrate on how to deal with the pandemic.

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

Monday 22 June 2020 at 5.00pm.

18: 45 Meeting closed.

Signed:

Date:

³ Update report emailed