

Minutes of the Resources Committee Meeting held via MS Teams on Monday 23 November 2020 at 5pm

Present: Margaret Boneham
Michelle Brabner (Principal)
John Fell (Chair)
Veronica Fell
Rob Firth
Alex Kenny
Vipin Trivedi
Jonny Lea

In Attendance: Joanne Platt (Interim Director of Governance)
Eddie Green (Vice Principal Services)
Kathy Passant (Vice Chair of the Corporation)
Jesamine Kelly (Assistant Principal Curriculum & Quality – for item 6.5)
Alison McDowell (Head of Personnel and Payroll – for item 7.1)
Nicola Hurst (Director of Teaching & Learning – for item 7.3)
Chris Davenport (Head of ICT – for item 10)
Anne-Marie Francis (Vice Principal Curriculum & Quality – for item 11)

Minute No.	Minutes	Action
R.21.21	<p>Item 1: Apologies for absence</p> <p>There were no apologies for absence.</p> <p>The Interim Director of Governance confirmed the meeting was quorate.</p>	
R.21.22	<p>Item 2: Declarations of Interest</p> <p>John Fell and Veronica Fell declared an interest as Independent Governors who are married to each other.</p>	
R.21.23	<p>Item 3: Minutes of the Previous Meeting of 29 September 2020</p> <p>The Vice Principal Services noted that the minutes referred to the previous meeting of 01 September instead of 04 September and that the resolution in relation Minute No. R.21.14 was incorrect. He agreed to provide the Director of Governance with the correct wording.</p> <p><i>Subject to the above, the Committee resolved to approve the minutes as an accurate record.</i></p>	VP Services

It was agreed to consider the Confidential Minutes under Part 2 of the Meeting.

R.21.24 Item 4: Matters Arising / Actions Summary

There were no matters arising from the minutes.

The Interim Director of Governance presented the Actions Summary from the meeting on 29 September 2020 from which it was noted that all actions were either complete or on the agenda for further discussion at this meeting.

In relation to R.21.04, the Principal advised the Committee that two meetings had been held and the action was complete.

The Committee resolved to accept the report.

R.21.25 Item 5: Confidential Business

A discussion in relation to the Confidential Minutes will be held in Part 2 of the Meeting.

R.21.26 Item 6: Financial Reports

Item 6.1: Management Accounts

The Vice Principal Services presented the Management Accounts for September and October 2020 and it was noted that although there were a number of adjustments to the September figures, these had been seen by Governors when the September IFMC report had been considered.

Governors noted that the balance sheet includes the FE capital allocation and allocated spend is in line with budgeted figures. All KPIs are on track with expenditure close to budget forecast.

In response to questions from Governors, it was confirmed that the net variance of £13k was made up of a combination of additional ESFA allocation for 16-18s, reduction in apprenticeship income arising from delays in completions due to the Pandemic, adjustment to HE income and a delay in incurring expenditure on the low carbon project.

Governors noted that historically, the College's pay as a percentage of income was high in comparison to the FE sector.

In relation to the October accounts, Governors noted the funding risks shown in relation to apprenticeships, adult education and HE income but that these were in line with the targets set. Nevertheless, there was still a significant risk to income in the forecast that Governors need to remain focused on when considering the monthly accounts.

In response to questions from Governors, it was confirmed that enrolment numbers were lower than the target, possibly due to the Pandemic. Governors noted that there would always be attrition and it was suggested that the College sets different targets to account for this.

Governors agreed that in future, they wish to receive only a 2-3 page summary of the monthly management accounts, together with the risk analysis. These should also be sent out to members of the Committee monthly in between meetings via email.

**VP
Services**

The Committee resolved to note and accept the report.

Item 6.2: Financial Statements 2019/20

The Vice Principal Services presented the Annual Report and Financial Statements for 2019/20, which, following approval by the Corporation are required to be submitted to the ESFA by the deadline of 31 January 2021.

Governors noted that the predictions were in line with the July management accounts with some adjustments to pensions, holiday pay and learner support.

Governors noted that the External Auditors have almost completed their work and that a final report would be considered by the Audit Committee at its meeting on 2 December. At this point, there are no anticipated auditor adjustments and no anticipated Management Letter points to note.

However, Governors noted the uncertainty arising from the ESFA Funding Audit currently underway and that the accounts can't be finalised until the College knows the outcome of that work. Although a draft will be brought to the Corporation at its meeting on 14 December, any changes arising from the Funding Audit will require subsequent approval.

It was noted that there was some uncertainty over the submission date for the IFMC report and it was agreed that clarification would be sought in relation to this. Depending on the outcome of that, an extraordinary meeting of the Committee and of the Corporation may be required in January, which could also be used to sign off any amendments to the Financial Statements arising from the Funding Audit.

**VP
Services**

The Committee noted that the Strategic Report had been considered by the Governance Committee at its meeting on 11 November with some minor changes to wording and the Members Table being made.

In response to questions from Governors, it was confirmed that pension costs shown in the Reconciliation shown in Annex 4, whilst significant, had been forecast for some time. Governors also noted some big savings made to staffing costs.

Governors noted the impact of the Pandemic on apprenticeship income and the adult education budget, a net reduction in income of c£250k.

The Committee resolved to recommend the Annual Report and Financial Statements to the Corporation for approval, subject to the changes discussed above.

**Vice
Principal
Services**

Item 6.3: ESFA Financial Health and Dashboard

The Committee noted that due to changes in reporting arrangements, the ESFA Dashboard has not yet been received by the College. This item was therefore deferred to the next meeting of the Committee.

**Vice
Principal
Services**

The Committee resolved to defer this item to the next meeting of the Committee.

Item 6.4: Market Oversight Team Report

The Vice Principal Services presented the Market Oversight Team Annual Report for the Committee's consideration, prior to its submission to the Corporation for approval in December.

Governors noted that activities in relation to the merger were all in line with original plans, a key focus being on improving the quality of provision, particularly at KGV and that progress in relation to this had been acknowledged by Ofsted in its monitoring visits in March 2019 and subsequently in the full Ofsted inspection in February 2020.

Governors also noted that integration of all key support systems across both sites was now completed. Although enrolment of 16-year old school leavers decreased in 2019/20, Governors noted that revised plans had resulted in improvements in enrolments for this cohort in the current year and the College remains committed to growing market share of 16-year old school leavers, particularly for A level provision at KGV.

Although operational savings had been made in 2019/20, due to COVID, there would be additional expenditure incurred in 2020/21. The negative impact of COVID on the 2019/20 outturn is c£225k and estimated to be more than twice this in the current year. Governors noted that although the financial position in 2019/20 exceeded the original merger forecasts in terms of cash based surplus and cash levels, the return to 'Good' financial health has been pushed back a year to 2022/23.

Governors also noted that the College had benefited from additional grant receipts of £4,525k giving rise to additional capital spend of £4,693k within the forecasts, allowing enhancements to the estate.

It was agreed that the report should include the 2020 school leaver numbers against the revised targets.

The Committee resolved to recommend the report to the Corporation for approval, subject to the changes asked for above.

**Vice
Principal
Services**

Item 6.5: Industry Placement Capacity and Delivery Fund (CDF) 2020/21 Project Report Semester 1

The Assistant Principal (Curriculum and Quality) presented a report on the distribution of the CDF in 2019/20. Governors noted the requirement to provide industry placements for a minimum of 131 students (up from 66 in 2018/19).

These included placements in Travel, Business, Hairdressing, Hospitality, Cookery, Level 3 Construction, Beauty, Health and Business and Level 2 Motor Vehicles. Governors noted that the target in 2020/21 is lower at 126 to reflect the challenges arising from the Pandemic. In line with T level expectations, there is an increased focus on Advanced Level placements with Level 3 Sport, Engineering, Computing and Motor Vehicle placements planned.

It was noted that returning students in Business, Construction and Travel whose placements were disrupted in 2019/20 have been enabled to complete their placements in 2020/21.

The Steering Group overseeing the project is now looking at how it will build capacity in T Level placements in readiness for rollout in 2022.

The 2019/20 budget (considered by the Committee in February 2020) was met, with some underspends in relation to student travel costs, employer events and software. The 2020/21 budget has been adjusted accordingly whilst also reflecting the increased number of placements required.

Governors noted that the costs of delivering the project are covered by the CDF allocation for 2020/21 and that the ESFA will assess whether the College will receive a further allocation for 2021/22.

Governors thanked the management team for a comprehensive report and for its work in getting placements in such difficult times.

The Committee resolved to note and accept the report.

R.21.27 Item 7: Human Resources Reports

Item 7.1: Staff Survey 2020

The Head of Personnel and Payroll presented the outcome of the staff survey which had been undertaken in June 2020 with a 45% response rate (down from 52% the previous year). It was noted that the response rate was below the sector average of 51%.

Governors noted that the College's scores had improved in all six sections of the survey and that the College remains above the participating colleges' average in five out of six sections of the survey. The area performing worse than the average was communication.

It was noted that the results of the survey are to be shared with staff and the Union Management Forum and discussed with the College Consultative Group with a focus on how to improve in the worst performing areas.

Governors noted the excellent scores, many showing improvements despite the changes in leadership and the Pandemic and looked forward to seeing the action plan arising from the survey.

The Committee resolved to note and accept the report.

Item 7.2: Union Management Forum

The Vice Principal Services presented a report on issues arising from the Union Management Forum, noting that there had only been one meeting since the last report to the Committee. Governors noted that key discussions had focused on COVID and that the Unions want the College to go further than is required by Government Guidance in relation to COVID safety measures, including more home working, but that management was holding the line on this as it had an adverse impact on teaching.

Other discussions related to the perceived belief that not everyone was complying with the requirement to wear face coverings, but this isn't something seen by management.

Governors noted that work was now underway to re-commission previously de-commissioned air conditioning units following the release of guidance from the HSE and that the feedback from the FE Commissioners indicated that the Unions were very positive about the collaborative approach between them and the College.

In response to a question from a Governor, it was confirmed that short term sickness absence was lower than at the same time last year.

The Committee resolved to note and accept the report.

Item 7.3: Annual Staff Development Report 2019/20

The Director of Teaching and Learning presented a report on the provision of staff development and training in 2019/20. Governors noted that c£40.5k had been spent on staff development activities against a budget of £58k, as a result of the inability to provide face to face training during the lockdown in the Spring and Summer of 2019/20. Despite this, there was a 456 increase in internal staff development activities from the previous year, largely due to the conversion of many activities to online and a wide range of free online training being made available to support the development of online learning.

It was noted that there had been nine applications for funding for Professional / Higher Academic Awards in 2019/20 at a cost of £10,286.

Governors noted that there had been an increase in student achievement and staff and student survey scores in 2019/20, reflecting a positive impact of staff development activities throughout the year.

In response to questions from Governors, it was agreed that the Director of Teaching and Learning would work with the Director of Governance to develop training for Governors on the use of the online tools such as MS Teams and OneNote used for meetings. It was noted that training on GDPR had been converted from face to face to online and would be ready to roll out in January 2021.

**D of T&L
with Dir.
of Gov.**

Governors asked if the lower score in the staff survey relating to staff development was due to a lack of awareness of training available. However, it was felt that responses in the staff survey related to staff progression rather than staff development and in this regard, Governors noted that the College was working in partnership with Riverside College on a coaching programme for potential managers in addition to the existing aspiring manager's programme.

Governors noted that the success and benefits of online training and development activities provided a sound basis for utilising this approach in the future.

The Committee resolved to note and accept the report.

R.21.28 Item 8: Accommodation update

The Vice Principal Services presented an update on accommodation issues and noted that the Pennington Refurbishment Project was progressing well with no delays. It was noted that additional works to a value of £236k had been approved by the Corporation for inclusion within the project and that there remained a £196k contingency within the budget.

Governors noted the delay in relation to the Low Carbon Grant project due to the impact of the lockdown and that this work would now take place in the new year. Consideration was being given to how the windows replacement originally planned for the summer 2020 break could be undertaken now the College had re-opened. Governors also noted that a consultant had been engaged to progress scheduling of works to utilise the FE Capital Allocation of £480k.

Governors noted that a new Head of Facilities Management had been appointed and was expected to start work in early December 2020.

The Committee resolved to note and accept the report.

R.21.29 Item 9: Accommodation Strategy

The Vice Principal Services presented the Accommodation Strategy for 2020/21 – 2025 to the Committee for consideration. The strategy sets out where the College currently is, where it wants to be and its key accommodation priorities and the financial impact of realising its accommodation ambitions.

Governors noted that the current Pennington project is the last major accommodation challenge and therefore the strategy is more focused on maintenance. Although the strategy is for 2020/21-2025, it was noted that it is nevertheless updated on an annual basis to reflect changing priorities.

When approved, the Strategy will be submitted to the Market Oversight Team alongside the Annual Report to demonstrate how the Capital spend is being used. Governors noted that the FEC Team had reviewed the strategy during its recent visit and was complimentary.

In response to a question from a Governor in relation to CapEx being over and above planned expenditure, it was confirmed that it was mainly as a result of Grants received and the resultant increase in depreciation was offset against increased grant release. Overall the College's cash contribution to CapEx had increased by change of £168k and £220k was in relation to the College's contribution to the Pennington project. Overall the figures show that the budgets have been managed well.

It was confirmed that the strategy had been discussed in the Governor Task Groups and in response to a question from a Governor in relation to vacant properties, it was confirmed that rental income for both properties was £52k and the intention is to continue to rent those properties out.

The Committee resolved to recommend the Accommodation Strategy to the Corporation for approval.

R.21.30 Item 10: IT Strategy

The Head of IT presented the ICT Strategy which sets out the overarching strategic direction for the ICT estate and how it links with Technology Enhance Learning. The Strategy is underpinned by an action plan setting out the key activities required to deliver the strategy. This will be regularly reviewed by SLT and will be updated on an annual basis.

Key developments for this year are completion of the ICT infrastructure merger, replacement of staff desktop PCs with laptops and monitors and Cyber Essentials Accreditation.

In response to a question from a Governor, it was confirmed that the remote desktop upgrade due for completion by July 2021 was likely to be completed during the Christmas break as it was part of the Cyber Essentials work. It was noted that the reference in Point 3 of the action plan to returning to current offline backup was a typing error and should say 'retaining current offline system'. It was confirmed that the College has sufficient capacity to do this and that the current backup arrangements are working well.

Governors also noted that Governor training on laptops and other online tools to support them will be included within the Governor Training and Development Plan, using the training development coaches to deliver the training.

The Committee resolved to approve the IT Strategy.

**Dir. of
Gov.**

R.21.31 Item 11: Marketing Strategy 2020/21 and Progress Report Semester 1

The Vice Principal (Curriculum and Quality) presented an update on the Marketing Strategy and it was noted that the Strategy was to be considered by the Standards Committee at its meeting on 25 November and then would be submitted to the Corporation for approval in December.

The purpose of the report was therefore to provide an update to the Committee on progress in delivering the Strategy.

The action plan attached to the strategy shows changes to the way the College conducts its marketing activities largely due to the Pandemic. However, it was noted that the activities now delivered online were very successful with good attendance at virtual events.

As a result, applications had increased. Figures will be circulated to the Committee via email after the meeting.

**Dir. of
Gov.**

Governors expressed concerns that the Strategy was being delivered before it had been approved. In response, it was confirmed that delays in formulating the plans into a single cohesive strategy was due to restructuring and staff changes but that the timeline had been seen and agreed by both the Resources Committee and the Standards Committee and there had been lots of interaction with Governors in relation to the changes via the Governor Task Group, which had been captured in the action plan. However, it was necessary to begin implementation prior to formal approval, in order to secure applications.

The Principal confirmed that it was recognised at the May 2020 Strategy Day that the College needed to do something quickly so it was agreed to ask the Governor Task Group to update the existing strategy.

It was agreed that Governors need to have approved the strategy next year before it is rolled out and it was agreed that this could be considered at the February Strategy Day with a view to submitting next year's Strategy for approval to the Corporation in July.

In response to a question from a Governor in relation to adult learners, it was confirmed that the College continues to provide a suite of online programmes for adult learners, but that it can't rely solely on this to meet its full allocation and therefore the College was working with the Liverpool City Region in relation to the Adult Education offer. It was agreed that future reports will include an update on this.

The Committee resolved to note the report

R.21.32 Item 12: Annual Assessment of Performance

The Committee noted that this item had been considered at the last meeting so the item was withdrawn from the agenda.

R.21.33 Item 13: Items to be reported to the Corporation

The Chair summarised the actions from the meeting and identified the following items to be reported to the Corporation at its meeting on 14 December 2020:

- Financial Statements and Annual Report for 2019/20
- Accommodation Strategy
- Minutes of the meetings held on 29 September 2020 and 23 November 2020

**Minute
No.**

Minutes

Action



R.21.34 Any other business

Governors expressed their thanks to the Vice Principal Services and his team for the hard work in producing the reports for today's meetings.

However, they also expressed concerns over the number of papers and length of the agenda pack generally which reinforces the need for good concise executive summaries in all reports to guide them to the key issues for consideration. The Principal confirmed that this was an ongoing piece of work that is being looked at.

**Principal
and Dir.
of Gov.**

R.21.35 Item 14: Date of Next Meeting

Tuesday 9 February 2021 at 5pm (scheduled).

Part 1 of the meeting ended at 7.15pm.

Minutes approved by the Committee 23rd February 2021