

MINUTES



RESOURCES COMMITTEE MEETING

Date: Tuesday 21st January 2020
Time: 5.00pm
Venue: Boardroom

Present:

Dr Andrew Roberts (Chair)
Professor George E Holmes DL
Bill Webster (Principal)
Kate Flood
Tony Unsworth

In Attendance:

Garry Westwater (Director of Finance)
Jane Marsh (HR Director)
Tim Openshaw (University of Bolton)
Fatema Hussein (Interim Clerk to the Board)
Deborah Bradburn (Governance Manager)

1. SECTION A - BUSINESS MATTERS FOR CONSIDERATION UNLESS INDICATED OTHERWISE

1.1 Welcome to Members

The Chairman welcomed members to the meeting.

1.2 Apologies for absence

No apologies had been received.

1.3 Declarations of Interest

The Chair reminded everyone present to declare any interests that they may have on matters to be discussed. Standing declarations were noted particularly in relation to the University of Bolton reciprocal governance arrangements and also paid positions.

1.4 Request for an item to be unstarred

No requests were made.

1.5 Minutes of the previous meeting held on 1st October 2019

The minutes of the meeting held 1 October 2019 had been previously circulated to members for consideration.

Agreed: that the minutes are approved as a correct record and authorised for publication.

1.6 Matters arising from the Minutes and Action Progress Log

The action progress log was reviewed and there were no matters arising from the minutes.

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2. SECTION B - COLLEGE MATTERS FOR CONSIDERATION UNLESS INDICATED OTHERWISE

(Change in the Order of the Agenda)

2.9 Mid-Year Human Resources Review

The HR Director presented the report and the following points were highlighted to the Committee:

- The workforce data had increased from last year. The data provided was pro-rata from 1 September to 31 December 2019 and remained under close scrutiny. Overall FTE remained steady.
- The number of employees declaring a disability was lower than the sector but it was dependent on employees self-declaring.
- The HR department had been successful in a bid to support 100 mental health first aiders available for both staff and students. The first cohort had passed the training with the second cohort to complete by the end of the academic year.
- The AoC had recommended a pay award of 1%, but Colleges could award more than 1% if it was affordable to do so.
- The College had already adopted the Living Wage for a number of years where other Colleges had not.
- A more detailed paper on pay would be presented to the Board in March.

Governor Questions:

- Did Colleges encourage staff to declare a disability?
New employees were more likely to declare. For some conditions such as diabetes, a staff member may not consider himself or herself as having a disability. HR would remind staff to update their data.
- Would the data change if staff declared a mental health issue?
Someone with a general mental health condition would not fit into the definition of having a disability.
- Had any work been undertaken to understand the census data?
The College already did this.
- What was the relevance of providing the census data on the local population?
It was Ofsted's view that a College's workforce should represent the local community. The AoC data was national data but limited to those College's that chose to complete the AoC data return.

RESOLVED:

The Committee noted the contents of the Mid-Year Human Resources Review report.

ACTION:

- HR department to remind staff to update their human resource records.
- HR Director to research how the College workforce diversity data compared against Greater Manchester Colleges.

(Jane Marsh left the meeting at 5.19pm)

(Change in the Order of the Agenda)

2.5 AoC Financial Oversight Checklist

The Clerk presented the financial oversight checklist and the following points were noted:

- The checklist produced by the AOC was a result of an ESFA investigation at Bourneville College into financial impropriety.
- It was based on what the ESFA considered good financial management and would provide Governors with assurance that key EFSA requirements and recommendations were being met.
- Additional commentary was required under Point 6 (Audit).
- It was confirmed that the AoC Senior Staff Remuneration Code had been adopted by the College as resolved at the Board meeting on 12 November 2019.

Governor Questions:

- What did it mean for the Governing Body to monitor compliance with the financial regulations under Point 3?
The Resources Committee and Board reviewed the regulations on an annual basis and monitored whether approvals had been requested for items of expenditure that required Committee and Board approval.
- Were the financial regulations of the College monitored by the ESFA?
They were not, but there were a number of key data sets that were monitored and audited by the ESFA.
- Were staff aware of the financial regulations?
The regulations were available on the intranet for all staff to access. Staff were aware of the gift and hospitality policy as part of the financial regulations. The Clerk received communication from staff members declaring gifts.
- What were the consequences of staff breaching the financial regulations?
It depended on the severity of the breach and may be a disciplinary matter.

The Committee agreed that further consideration was required in relation to how Governors monitored compliance with the College financial regulations.

ACTION:

- Clerk and Finance Director to update Points 3 and 6 of the AoC Financial Oversight Checklist.
- Finance Director to remind all budget holders to be conversant with the financial regulations.
- Clerk to amend Point 10 to state 'audited accounts are published on the website'.

2.6 ADA Commercialisation

The following update was provided by the Finance Director:

- A non-disclosure agreement had been signed with Bharrachd Ltd. The College was waiting for a further legally binding contract from them.
- Commercialisation revenue was estimated to be £200k over 5 years but would be £10k to £15k initially.
- Bharrachd Ltd wanted to see the code before they committed to an investment.
- The College IT team had been successful in a bid for external grant funding of £400k to be drawn over the next 18-24 months.

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- The ADA technology was presented as an exemplar of excellence by the Minister of State for Universities, Science Research and Innovation at a UK technology exhibition.

RESOLVED:

The Committee suggested that the technology could have many applications other than schools and colleges and could be extended, and that this would be worth pursuing.

(Prof. George Holmes joined the meeting at 5.35pm)

ACTION:

- Finance Director to update the Committee on progress with Bharrachd Ltd.

(Change in the Order of the Agenda)

2.1 Financial Update – LEO1 Forecast and Cash-Flow

The Finance Director presented the report and the following points were noted:

- The first quarter operating review had highlighted shortfalls in a number of income lines.
- The Greater Manchester Combined Authority (GMCA) was not funding over delivery on the Adult Education Budget as the Council had done previously.
- College income would fall by £120,000 as a result.
- The BAE contract had not yet been renewed and was worth £80,000.
- There was a decline in Adult Learner Loans recruitment, but this was systemic across the sector.
- High Needs income was below expectations but may recover.
- The forecast was for an overall deficit of £395,000 at the financial year-end and a number of mitigating actions had been put in place to rectify this.
- Cash balances at year-end were projected to be £1.8 million and would therefore fail the bank covenants. The College would put plans in place to address this.

Governor Questions:

- Was the drop in H.E learners a consequence of the merger?
The College had lost some HE learners to the University but from a University Group perspective, it remained good. There were differences between the College and University provision in that the College offered HNC and HND levels with learners able to progress to top up courses at the University. The College and University worked closely together for a smooth transition for learners within the University Group. However, some learners went straight to degree level at the University rather than HND. The College would promote the construction and hospitality areas more with more emphasis and priority to be given to workplace HND courses.
- Had the College raised the issue of additional funding for over delivery on the adult education budget with the Greater Manchester Authority?
The Chair agreed to raise this at the Chair's forum and suggested that it was also raised at the Principal's forum.

- What was the risk of the BAE contract not being renewed?
College was hopeful that it would be renewed as it had received positive feedback on this last year.

It was suggested that the College needed to focus on recruiting students that were comfortable with undertaking H.E. courses within an F.E. environment, and offering access courses that the University did not, that addressed the skills gaps and the needs of employers.

The Committee also suggested that the College have a stand at University Open Days for the referral of those individuals that that did not meet the minimum course criteria for the University.

ACTION:

- Finance Director to inform all budget holders that only essential spend would be approved.
- Chair and Principal to discuss the issue of additional funding for over delivery on the adult education budget with the Greater Manchester Authority at their respective forums.
- Principal to develop College policy on the development and promotion of workplace HND programmes.

2.2 Breakdown of Agency Spend

The Finance Director presented the report and it was noted that agency costs for the year to date were slightly under budget. The situation was being closely monitored to ensure that there would be no overspend.

RESOLVED:

The Committee noted the contents of the Agency Spend Analysis.

2.3 College KPI Dashboard

Tim Openshaw presented the report and the following points were highlighted:

- The Office for Students (OfS) had introduced a new condition of registration, reportable events.
- A reportable event was something that the College would have to notify the OfS.
- It was any event or circumstance that, in the judgement of the OfS, materially affected or could materially affect a provider's legal form or business model, and/or its willingness or ability to comply with its conditions of registration. For example, financial projections.
- The University had in place a two stage screening model with an auditable record of those events that it did not consider required reporting to the OfS.
- The University process would be replicated at the College, as the OfS was the College's principal regulator.

RESOLVED:

The Committee noted the contents of the KPI Summary Dashboard and agreed that it was amended to include any reportable event information

ACTION:

Reportable events information to be incorporated into the dashboard.

2.4 Finance KPI's / Benchmarks

The Clerk presented the report and the following points were highlighted:

- Sector financial benchmarks could be incorporated into the College KPI dashboard and assist Governors to monitor the College's performance against them.
- The benchmarks represented the sector averages and had been established as part of the area review process and what the ESFA would look at.

RESOLVED:

The Committee noted the financial benchmarking information and endorsed its incorporation into the College KPI Summary Dashboard.

ACTION:

Financial KPIs/benchmarks to be built into the College KPI dashboard.

(Change in the Order of the Agenda)

3. SECTION C - UNIVERSITY GROUP MATTERS FOR CONSIDERATION UNLESS INDICATED

3.1 Bolton College of Medical Sciences

The following verbal update was provided on the Bolton College of Medical Sciences (BCMS):

- The University was confident that the additional funding required for the project to go ahead would be received, and discussions were currently ongoing.
- It was noted that the project would not have proceeded without the merger between the College and the University and that GCMA had been helpful throughout the process.
- The funding agreement/arrangement was to be reviewed at the University Board but would also need to be agreed with the College Board.

ACTION:

Clerk / Board Agenda

(Change in the Order of the Agenda)

2.7* ESFA Finance Dashboard

The Committee reviewed the dashboard and the Director of Finance explained that:

- The ESFA had introduced a new integrated financial reporting model.
- The new model expected all College's to submit their budgets in February instead of July.
- The new ESFA Integrated Financial Model would be presented at the February Board meeting.

RESOLVED:

The Committee noted the Financial Health/ESFA Financial Dashboard as at October 2019.

ACTION:

Clerk / Board Agenda

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2.8* Tribal Benchmarking Data

The Director of Finance presented the Tribal Benchmarking report.

RESOLVED:

The Committee noted the Tribal Benchmarking report.

4. SECTION D - ANY OTHER BUSINESS

There was no other business to discuss.

5. SECTION E - FUTURE MEETINGS

Tuesday 10th March 2020 at 5.00pm

There being no further business to discuss, the meeting closed at 6.25 pm

Chair's Signature:

A handwritten signature in black ink, appearing to read 'A. Green'.

Date:

10 Mar 2020