



BURY COLLEGE FURTHER EDUCATION CORPORATION

MINUTES OF THE RESOURCES COMMITTEE MEETING **HELD ON TUESDAY, 7th MARCH 2023**

Meeting Commenced : 8.00 a.m.
Meeting Closed : 9.50 a.m.

Present:

Angela Davies Independent Member - Chair
Charlie Deane Principal
Mark Granby Independent Member
Peter Nicol Independent Member

In Attendance:

Adnaan Abdulla Bury College UCU Branch Secretary – Item 5
Paul Houston Bury College UCU Branch Chair – Item 5
Nigel Flanagan NW Region UCU – Item 5
Tracy Kitchingman Vice Principal Finance and Corporate Resources
Danny Rushton Director of HR
Peter Ryan Clerk to the Corporation
Becky Tootell Deputy Principal Curriculum, Quality and Standards

RES22/23.23	<u>APOLOGIES FOR ABSENCE (AGENDA ITEM 1)</u>
	There were no apologies for absence and the Chair welcomed UCU representatives to the meeting.
RES22/23.24	<u>DECLARATIONS OF INTEREST (AGENDA ITEM 2)</u>
	There were no declarations of Interest.
RES22/23.25	<u>MINUTES (AGENDA ITEM 3)</u>
	The Minutes of the meeting held on 17 th January 2023 were approved to be signed as a true and correct record.
RES22/23.26	<u>MATTERS ARISING (AGENDA ITEM 4)</u>
	The Clerk presented the report and confirmed that all scheduled actions had been implemented.
	It was Resolved that the contents of the report should be noted.
RES22/23.27	<u>HR – PAY AWARD (AGENDA ITEM 5)</u>
	<p>The Chair welcomed UCU representatives to the meeting and reminded Members that one of the key Corporation responsibilities was to ensure the effective and efficient use of resources, the solvency of the College and the Corporation and safeguarding their assets.</p> <p>It was noted that the Leadership Team had been in negotiation with UCU and Unison on the level of the staff pay award. At the conciliation session with UCU and ACAS on 14th February 2023, unfortunately, an agreement on the pay award for 2022/23 could not be agreed. Therefore, the College was at the formal stage of the College procedure for the avoidance of disputes which stated:</p> <ol style="list-style-type: none"> Both parties shall agree terms of reference for the dispute and shall each prepare a written statement of their case and exchange them. Copies will be made available to the Clerk for distribution to members of the Resources Committee. The Clerk will arrange for a meeting of the Resources Committee at the earliest opportunity but not less than 14 calendar days from the receipt of these statements. The Resources Committee will meet to consider the dispute. The trade union(s) representatives and the Principal (or nominee) will attend this meeting. The decision of Resources Committee will be final. However, should the Resources Committee fail to reach a decision, then a full Corporation meeting will be called to consider the issue further. Full documentation will be supplied and the trade union(s) representatives and the Principal (or nominee) will attend. The decision of the Corporation will be final.

Members were asked to consider the written Management Case and written UCU Case and agree a way forward in respect of the staff pay award for 2022/23.

The Chair, on behalf of the Committee, acknowledged receipt of the written Management Case and asked management representatives to outline their case. Danny Rushton highlighted the following key points:

The College pay offer had been developed to support staff through a difficult financial period, whilst ensuring that the College remained in Good financial health. It was the best that the College could afford. The pay offer for 2022/23 was confirmed in writing to UCU on 12th December 2022, as follows:

£2,000 (pro-rata) in year for each direct employee of the College (excludes senior post holders). This consists of:-

- £1,000 consolidated into full-time basic salaries with a backdated payment to 1st September 2022;
- A £500 consolidated payment into full-time basic salaries on 1st August 2023;
- A further £500 non-consolidated payment (pro-rata) for those staff employed on the 18th August 2023;
- The maximum spinal point for Lecturers at Band 2 to increase from SCP30 to SCP31 and the lecturers at SCP30 moved to SCP31 as of 1st September 2022; and
- The minimum spinal point for Team Leaders at Band 3 increased from SCP31 moved to SCP32 as of 1st September 2022.

The College position was further clarified in a letter to UCU on 27th January 2023 with the key issues being:

"As previously communicated, the College had put together the best offer it can make, an offer that we feel recognises our staff's hard work and commitment to the College and its students whilst managing the financial risk to the College. Indeed, it is the pay offer that reduces the College's financial health score to "Good" with only small margins for any variances to income or costs further reducing the financial health score to "Requires Improvement".

We respect members rights to reject the offer and understand the current economic context which affects all our staff and indeed the College itself. However, the College has been open and transparent regards the best pay offer we can afford whilst protecting the financial sustainability of the College and jobs.

During meetings it was raised that members were comparing the whole package; pay, holidays and contracted taught hours. It was asserted that Bury College was behind other local colleges in many respects. However, following a review with the Association of Colleges and other colleges mentioned in our meeting, we ask you to note the following:

- *The College offer was one of the best in the north-west and significantly above a number that have been accepted by UCU members in other FE Colleges;*
- *The College academic salaries were competitive and not behind the other colleges cited at meetings;*
- *The College academic holiday entitlement was one of the best in the north-west; we are yet to find a College that offers 45 days annual leave plus bank holidays plus closedown days during the academic year.*
- *The College teaching contract was the 14th best nationally and the best in Greater Manchester, 820 annual hours against an average of 859.4 (DfE 2020/21 data)."*

At the conciliation session with UCU and ACAS on 14th February 2023, whilst there was some common ground, the parties were ultimately unable to find a solution and reach an agreement. Indeed, there did still appear to be some distance between UCU expectations and what the College felt was affordable but also kept the College financially stable and in "good" financial health going forward.

The Chair, on behalf of the Committee, acknowledged receipt of the written UCU case and asked representatives of UCU to outline their case. Nigel Flanagan and colleagues, highlighted the following key points:

- UCU had a good and relationship with the College management team and welcomed the opportunity to meet with Governors;
- In September 2022 UCU had submitted a pay claim to the College which included a 10% increase on all pay points with a minimum uplift of £2000;
- Inflation was circa 10/14% with food inflation circa 20%, therefore staff were suffering severe financial hardship;

- The College had received an additional 8.4% increase in the FE Base Rate and expected some of this, after the additional staff cost were deducted, to be reinvested as part of the pay award;
- UCU considered that the offer was less generous than the previous year and given the rate of inflation and subsequent increase in costs, staff had expected more;
- The opening offer made by the College was the most generous that had been initially received, however, it was less than settlements at other Colleges in the area;
- It was acknowledged that the College had developed and implemented a capital build programme, including the receipt of DfE capital grants and that this would be of benefit to both staff and students.
- Staff were working positively, however, some staff had a perception that the College was keen to invest in building but not them;
- If the pay offer could not be improved, UCU would ask members if they would be willing to take strike action.

The Chair thanked both parties for outlining their case and invited questions, a summary of which was as follows:

- Members acknowledged and appreciated that UCU and Management representatives had worked positively, professionally and constructively in order to reach an agreement;
- There was no longer a national pay scale which made it difficult to make comparisons with other Colleges in respect of pay and associated conditions of service;
- Since 2014 the College had made pay awards in excess of the AoC national recommendations and this was acknowledged by UCU. However, UCU considered that given the exceptional inflationary circumstances they had expected an exceptional pay award offer;
- UCU claimed that pay settlements were averaging between 7 to 9% in the region. The Management team confirmed that the consolidated lump sum would provide an increase in year of circa 12/13% for lower paid staff;
- The current pay offer would retain the College financial health grade as Good but only with a tolerance of circa £50K;
- UCU considered that the College financial health grade should not be protected at the expense of the financial position of staff. There was a general feeling of unfairness;
- The pay award had been reflected in the latest financial forecast and the cash generation had reduced from £2m to £1m. The financial position would have to be effectively managed in order to avoid intervention and a breach of bank covenants;
- DfE had established an income to pay ratio of 65% and the College current projection had risen to 71%;
- The VP offered to meet with UCU to outline the current financial forecast and clarify and to check out financial facts; and
- UCU thanked governors for the opportunity to meet and clarify their position.

The Chair thanked UCU representatives for attending the meeting and for their contributions. She confirmed that the decision of the Committee would be confirmed in writing. UCU representatives withdrew from the meeting at 9.15 a.m.

Following detailed discussions, it was recognised that in reaching a decision, Corporation Members had the following responsibilities and accountabilities:

- The College Articles of Government confirmed that the Corporation's responsibilities included the effective and efficient use of resources, the solvency of the College and the Corporation and safeguarding their assets; and setting a framework for the pay and conditions of service of staff, other than senior post holders;
- Corporation Members are subject to the accountabilities of the Insolvency Regime; and
- At a meeting of the Corporation held on 31st January 2023, Members considered it essential to retain the Good financial health grade.

Corporation Members were fully aware of the College financial position via the consideration of monthly management accounts at both Resources Committee and Corporation meetings and the management accounts had proved to be historically accurate. In addition, Members had recognised the financial pressures faced by staff and had accordingly reduced the College financial health score target from Outstanding to Good, thus facilitating a competitive pay award.

	Based upon the information available, Members of the Resources Committee agreed that the pay offer conveyed to UCU on 12 th December 2022, was the best available and therefore final. As had been requested, Members have asked that the Leadership Team should meet with UCU representatives to discuss next steps.
	It was Resolved that: i) The contents of the report should be noted; and ii) Based upon the information available, Members of the Resources Committee agreed that the pay offer conveyed to UCU on 12th December 2022, was the best available and therefore final. As had been requested, Members have asked that the Leadership Team should meet with UCU representatives to discuss next steps.
RES22/23.28	PROPERTY STRATEGY (AGENDA ITEM 6)
	<p>The Vice Principal provided an update in the following areas:</p> <ul style="list-style-type: none"> • Health and Digital Centre – The College took partial possession on 27th January 2023, to allow classes to start from 30th January 2023. There was still some snagging work taking place over the half term break with practical completion achieved on 21st February 2023; • T Levels Education and Childcare - Project now complete. DfE visit took place on 19th October 2022 when additional evidence of spend was requested and submitted. No feedback had been received; • T Levels Engineering – Although the successful scope change request was declined, some minor refurbishment would still take place in the former Animal Care laboratories, to allow Engineering T-Level delivery to take place; • Transformation Fund – Beacon - Tender documents were uploaded on 20th February 2023, with a submission deadline of 21st March 2023. Five contractors have been invited to submit. The project is on-programme to complete by end December 2023. Woodbury - Work on-going with design team to progress designs to RIBA Stage 3; • Greater Manchester Institute of Technology – The first claim had been successfully received. A revised cashflow had been submitted to DfE as per their request and the refurbishment of the Sports Centre was planned for Summer 2023; • Post 16 Capacity Fund - Bid submitted 11th November 2022 with the outcome expected Spring 2023; • Strategic Development Fund – A bid had been submitted; • Additional Capital Allocation - ESFA funding to be used on measures that will improve the energy efficiency of the College's estate. All grant funded activities must be completed by 31st March 2025; • FE Reclassification Capital Allocation - ESFA funding to be spent on capital projects, prioritising condition improvement of the College's estate. Grant agreement letters will be sent in March 2023. Funding must be spent between 1st April and 31st March 2025; • T-Level Wave 5 – Catering Curriculum – Bids prepared for both curriculum areas. Deadline for applications – 3rd February 2023 with results due Summer 2023. Projects to be completed by September 2024.
	It was Resolved that the contents of the report should be noted.
RES22/23.29	Health and Safety Mid-Year Review (AGENDA ITEM 7)
	<p>The Vice Principal provided an update in the following areas:</p> <ul style="list-style-type: none"> • Accidents Incidents • First Aid • Departmental H&S Audits implemented and planned; • Fire and Management of Control of Substances Hazardous to Health (COSHH); • Fire Risk Assessments implemented and planned; • H&S Training; • Policies and Procedures; and • Recent Incidents <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • No changes to the College Health and Safety Policy were required; and • The Deputy Principal confirmed that the College had been made aware that someone connected to College had recently been admitted to hospital and diagnosed with meningococcal disease. A letter

	had been issued to Students on 28 th February 2023 providing clarification of signs and symptoms and what steps to take.
	It was Resolved that the contents of the report should be noted.
RES22/23.30	<u>Environmental Sustainability Update (AGENDA ITEM 8)</u>
	<p>The Vice Principal confirmed that the AoC had developed a Climate Action Road Map for FE Colleges. Using the Road Map, the College had adopted the Emerging Colleges Initiatives and developed an action plan relevant for the College to monitor progress.</p> <p>Following questions, it was confirmed that the College Sustainability Policy had been redrafted for approval by the leadership team.</p>
	It was Resolved that the contents of the report should be noted.
RES22/23.31	<u>FINANCIAL MATTERS – MANAGEMENT ACCOUNTS (AGENDA ITEM 9)</u>
	<p>The Vice Principal confirmed that the operating deficit to 31st January is £6k (excluding pension adjustments), was £69k favourable to forecast outturn. Income was £30k favourable to forecast for the period, pay expenditure was £44k favourable and non-pay expenditure £5k adverse.</p> <p>The next re-forecast, based on Period 6 (January), would reflect the potential savings and risks identified in the Major Income & Expenditure variances summarised in the report. The forecast outturn, balance sheet and cashflow forecast would be updated to reflect these, along with changes in relation to the latest known position for timing of capital spend and grant receipts.</p> <p>Construction continued on the new build Health & Digital Centre, with the £4m balance of the project costs falling in this year. The budgeted July 2023 cash at bank had been reviewed and updated to reflect changes in timing of capital spend and receipts; the current forecast indicated a reduced July 2023 position.</p> <p>Following questions, it was confirmed that the net cash flow from operational activities needed to be closely monitored.</p>
	It was Resolved that the contents of the report should be noted.
RES22/23.32	<u>PERFORMANCE MONITORING (AGENDA ITEM 8)</u>
	<p>a) Funding Update</p> <p>The Vice Principal Finance and Corporate Resources introduced the report and highlighted the position in the following areas: 2021/22 Actuals and outturn; 2022/23 Allocations; 2022/23 Full Time enrolment update and 2022/23 funding update.</p> <p>Following discussions, it was confirmed that the current funding position was reflected within the management accounts.</p>
	<p>b) Franchise and Outward Collaborative Provision 2021/22 outturn and 2022/23 Planned Provision</p> <p>The report summarised the partners, types of provision, funding and contract values for all activity in 2020/21. The 2021/22 table confirmed the roll forward value for carry in and the additional contract amounts negotiated for 2021/22 starts. This reflected the College strategy to reduce the volume of this provision.</p> <p>The Principal confirmed that as previously reported, following directives from the ESFA, the College had continued with a subcontracting agreement with a 16-19 provider arrangement in 2022/23. ESFA had confirmed their support of the current arrangements while partners continued to explore a more appropriate long-term model for delivery. The Principal had confirmed with the LA that an alternative delivery model needed to be urgently finalised as there was no guarantee that Governors would agree to continue arrangements in to 2023/24 for the Mesivta provision.</p> <p>Following discussions, it was note that the C&Q Committee and Corporation had been assured that appropriate safeguarding arrangements were in place in respect of this provider.</p>

	It was Resolved that the contents of the reports should be noted.
RES22/23.33	<u>Post Meeting Evaluation Form (AGENDA ITEM 9)</u>
	The Committee received a summary of the post meeting evaluation responses from the meeting on 17 th January 2023, which had been positive with no concerns having been highlighted.
	It was Resolved that the contents of the report should be noted.
RES22/23.34	<u>DATE AND TIME OF FUTURE MEETINGS (AGENDA ITEM10)</u>
	<ul style="list-style-type: none"> • 8.00am Tuesday, 20th June 2023

There being no further discussion the meeting closed at 9.50 a.m.

Signed and approved as an accurate record of the meeting:

Signature Date

Summary of Actions - Resources Committee 7th March 2023			
Item	Action	Person Responsible	Timescale
22/23.27 Pay Award	Based upon the information available, Members agreed that the pay offer conveyed to UCU on 12 th December 2022, was the best available and therefore final. As had been requested, Members have asked that the Leadership Team should meet with UCU representatives to discuss next steps.	Principal	TBC