



BURY COLLEGE FURTHER EDUCATION CORPORATION

MINUTES OF THE RESOURCES COMMITTEE MEETING
HELD VIA TEAMS ON TUESDAY, 25th JUNE 2024

Meeting Commenced : 8.00 a.m.
 Meeting Closed : 9.25 a.m.

Present:

Angela Davies Independent Member - Chair
 Charlie Deane Principal
 Martin Dyer Independent Member
 Mark Granby Independent Member

In Attendance:

Tracy Pullein Vice Principal Finance and Corporate Resources
 Danny Rushton Director of HR
 Peter Ryan Clerk to the Corporation
 Becky Tootell Deputy Principal Curriculum and Quality

RES23/24.38	<u>APOLOGIES FOR ABSENCE (AGENDA ITEM 1)</u>
	Apologies for absence were received from Peter Nicol.
RES23/24.39	<u>DECLARATIONS OF INTEREST (AGENDA ITEM 2)</u>
	There were no declarations of Interest.
RES23/24.40	<u>MINUTES (AGENDA ITEM 3)</u>
	The Minutes of the meeting held on 5 th March 2024 were approved to be signed as a true and correct record.
RES23/24.41	<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.
RES23/24.42	<u>HR (AGENDA ITEM 5)</u>
	<p>a) Pay Update</p> <p>The Director of HR introduced the report and highlighted the following:</p> <ul style="list-style-type: none"> • An 8.5% increase had been implemented for all staff effective from 1st September 2023; • Lecturer and Business Support increments (as per agreed pay scales) were implemented in January and April 24; • The FE Joint Trade Unions Claim for 2024/25 (including UCU and UNISON) was submitted in March 2024 and included: <ul style="list-style-type: none"> • A 10% or £3000 increase in pay, whichever was greater; • The minimum starting salary for an FE lecturer to be £30,000. • The AoC had held off making any pay recommendation for FE staff until after the general election and the school teacher pay review was published; • Next steps – To allocate a budget to the pay award for 2024/25 and finalise the 2024/25 pay offer following further modelling and assessment on the College’s long term financial sustainability subject to starters and enrolment in Oct 2024. <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • The College starting salary for newly qualified teachers was £30,542 per annum; • A pay claim from the North West UCU branch, who had the autonomy to agree pay locally, may be received.
	It was Resolved that the contents of the report should be noted.

	<p>b) HR Performance Indicators</p> <p>The Director of HR introduced the report which highlighted the current position and actions being implemented in the following areas:</p> <ul style="list-style-type: none"> • The Staff Profile had remained stable in respect of composition and diversity factors; • Sickness absence remained slightly higher than national absence rates; • Turnover of staff; • Number of applicants to posts; • Grievances, disciplinaries, Investigations and tribunal applications; and • Staff Mental Health & Wellbeing; <p>Following discussion, it was confirmed that:</p> <ul style="list-style-type: none"> • Actions, including training for managers, were being implemented to reduce sickness level; • 30 staff mental health champions were being trained; • A Staff Workload agreement had been finalised with the trade unions and this include the use of AI; • AI was gaining traction and was supported by a rolling programme of CPD; • The use of AI would also feature in performance review processes.
	It was Resolved that the contents of the report should be noted.
	<p>c) Policy and Procedures Tracking Sheet</p> <p>The Director of HR introduced the report which detailed the current status of HR policies. It was noted that the policy review was on track and that the annual review of the Staff Code of Conduct and iPad Guidelines would be undertaken by the leadership team in July 2024.</p>
	It was Resolved that the contents of the report should be noted.
RES23/24.43	<u>PROPERTY STRATEGY (AGENDA ITEM 6)</u>
	<p>The Vice Principal introduced the report and provided an update on the following:</p> <ul style="list-style-type: none"> • T Levels - Hair and Beauty (Beacon Centre), Catering (Woodbury Centre) and Legal, Finance & Accounting (Specialist Equipment Allocation); • Transformation Fund Beacon and Woodbury Projects; • Greater Manchester Institute of Technology; • Additional capital allocation for 2022/23; • FE Reclassification capital allocation; and • Other Estates Priorities. <p>Following discussion, it was confirmed that:</p> <ul style="list-style-type: none"> • In respect of the Catering (Woodbury Centre) project the previously deferred childcare windows had now been instructed and the intention was to complete the works during the summer break 2024. Also, decision had been made to instruct refurbishment of the previously out of scope dining area toilets. This work would be completed within the timescale of the main catering area refurbishment programme. Both would be funded via College reserves; • A closure of the Woodbury and A level Centres was planned w/c 8th July due to H&S requirements of the Woodbury Project works.
	It was Resolved that the contents of the report should be noted.
RES23/24.44	<u>FINANCIAL MATTERS (AGENDA ITEM 8)</u>
	a) Management Accounts to 31st May 2024
	<p>The Vice Principal confirmed that the budgeted July 2024 cash at bank had been reviewed and updated to reflect changes in the timing of capital spend and grant receipts alongside the revised Q3 forecast. The Financial Performance and Profitability tables had been updated to include the Q3 forecast outturn position. The forecast ESFA financial health grade remained "Good" and all covenants were forecast to be achieved.</p> <p>As part of finalising the P9 accounts and in preparation for the Financial Plan 2024-2026, any significant variances from Q2 forecast that have been identified should be incorporated in the 2023/24 forecast outturn. This Q3 Forecast Outturn would be included in the College Financial Forecast Return (CFFR), required to</p>

	<p>be submitted to the ESFA by 31st July 2024. The Financial Performance and Profitability tables had been updated to include the Q3 forecast outturn position.</p> <p>The cashflow forecast was monitored monthly, particularly as the timing of Capital Project spend and grant receipts could have a significant impact on the year end forecast. The review undertaken last month, which included the revised planned spend and grant income for the Woodbury and LSIF projects indicated a shift of spend into this year from next year. The revised forecast outturn (Q3) had now been finalised. The impact on cash for all variances in performance and working capital had been reflected in the revised cashflow forecast. The impact on the cash days calculation in confirming the level of restricted funds (grants received ahead of spend) was highlighted</p> <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • The forecast ESFA financial health grade remained Good and all covenants were forecast to be achieved; • There was growing concern nationally that significant capital grant allocations had not yet been spent and that this may artificially inflate the cash in hand position of some Colleges. As demonstrated within the accounts, this was not the case at Bury College.
	<p>It was Resolved that the contents of the report should be noted.</p>
	<p>b) College Financial Handbook 2024</p>
	<p>The Clerk confirmed that the 2024 version of the Handbook had been reviewed by the Principal, Vice Principal and Clerk and the following actions were proposed in order to ensure that the College acts within the requirements of the College Financial Handbook 2024:</p> <ul style="list-style-type: none"> a) Section 2.8 – Financial Planning – Recommendation: The Board should set out and regularly review the College Policy for holding reserves. A Draft Reserves Policy was appended for consideration. b) Section 2.30 - Oversight of Risk and the Risk Register – Recommendation: In addition to the Risk Register being reviewed at each meeting of the Audit Committee the Risk Register will also be review termly by the Corporation. c) Section 6.6 Fraud, theft, irregularity and Cyber Crime – Recommendation: The College Fraud Response Plan was reviewed by the Audit Committee on 18th June 2024 for approval by the Corporation on 2nd July 2024. d) Section 2.32 Insurance – Recommendation: The Resources Committee will review, each autumn term, the adequacy of insurance cover to comply with the Corporations statutory and contractual obligations. Therefore, Section 9.2.1 of the Financial Regulations will be updated to read – “The Vice Principal Finance and Corporate Resources is responsible for advising on and effecting insurance cover. The Resources Committee will review, each autumn term, the adequacy of insurance cover to comply with the Corporations statutory and contractual obligations.”
	<p>It was Resolved that:</p> <ul style="list-style-type: none"> i) The contents of the report should be noted; and ii) The recommendations outlined within the report, including the approval of the Reserves Policy, are submitted to the Corporation for approval.
	<p>c) College Financial Forecast Return 2024/26</p>
	<p>The Vice Principal confirmed that Colleges must submit a 3-year CFFR by 31 July 2024, which included an income & expenditure account, balance sheet and cashflow statement to show the 3 years: 2023/24 Forecast Outturn, 2024/25 Budget and 2025/65 Forecast. The College had completed the CFFR model and a detailed commentary and these were presented for consideration to the Resources Committee prior to presentation to the Corporation on 2nd July 2024 for approval.</p> <p>The College’s financial model for the next 2 years (2024-2026) was consistent with its Strategic Plan. The College had ‘Good Financial Health’ with good liquidity, sound performance, and low indebtedness.</p> <p>The 2024/25 Budget and 2025/26 Forecast aimed to generate at least £1.3m cash from operating activities each year. The College is forecast to achieve Good Financial Health for 2023/24.</p>

	<p>Members reviewed the supporting commentary and key risks as follows:</p> <ul style="list-style-type: none"> • The Financial Plan supported and was consistent with the College's strategic objectives; • There were clear explanations of any significant year-on-year movements in the statement of comprehensive income and balance sheet; • Explanations were highlighted for any significant variances between the estimated outturn for the current year and the original budget; • The summary detailed how risks to cash flow insolvency had been managed and mitigated • The contribution made by all areas of material activity were clear; • Plans to service debt and finance capital projects were clear; • The financial health grade would be maintained as Good; • The Pay Budget had been set based on the required resources to deliver the planned curriculum; • The pay to income ratio was appropriate in order to deliver and support high quality provision; • The income assumptions were prudent; • There was a good level of cash generation; • Performance of KPI's was closely monitored and controlled.
	<p>It was Resolved that:</p> <ol style="list-style-type: none"> The contents of the report should be noted; and The College Financial Forecasting Return (CFFR) 2024/2026 is recommended to the Corporation for approval.
	d) Fees Policy 2024/25
	<p>The Vice Principal confirmed that The Fees Policy has been reviewed and updated to take account of latest guidance and College processes. The GMCA Funding Rules for 2024/25 had just been published and the areas awaiting review in the previous document had now been updated and were highlighted. Changes were highlighted within the updated Policy.</p> <p>Following a question in respect of risks, it was confirmed that the GMCA devolved Adult funding rate was significantly less than the national rate.</p>
	<p>It was Resolved that:</p> <ol style="list-style-type: none"> The contents of the report should be noted; and The Fees Policy 2024/25 is approved.
	e) Sub-Contracting Policy 2024/25
	<p>The Vice Principal confirmed that the Subcontracting Policy had been reviewed to take account of the latest available guidance. There were no significant changes from the 2023/24 policy with the updates for 2024/25 highlighted within the report. Once approved the Policy would be published on the College Website.</p>
	<p>It was Resolved that:</p> <ol style="list-style-type: none"> The contents of the report should be noted; and The Sub-Contracting Policy 2024/25 is approved.
RES23/24.45	PERFORMANCE MONITORING (AGENDA ITEM 9)
	a) Funding Update
	<p>The Vice Principal introduced the report which provided an update on allocations and planned funding for 2023/24, and allocations received for the 2024/25 Academic Year.</p> <p>Members noted that in respect from changes from Q2 to Q3 there had been slight increases in income in learner loans, apprenticeships and adult provision and a slight decrease in HE income.</p>
	b) Franchise and Outward Collaborative Provision Update
	<p>The Vice Principal introduced the report and confirmed that as previously reported in 2023/24 the College would contract directly with Shalshelas, a registered charity, for the provision of A level and Vocational education. This provision was funded on the basis that it filled gaps in niche or expert provision or provided better access to facilities; and supported individuals who shared protected characteristics, where there might otherwise be gaps.</p>

	Permission to continue to offer the whole programme subcontracted provision with Shalshelas for 2024/25 has recently been confirmed in writing by the ESFA
	It was Resolved that the contents of the report should be noted.
RES23/24.46	<u>Post Meeting Evaluation Form (AGENDA ITEM 10)</u>
	The Committee received a summary of the post meeting evaluation responses from the meeting on 5 th March 2024, which had been positive with no concerns having been highlighted.
	It was Resolved that the contents of the report should be noted.
RES23/24.47	<u>DATE AND TIME OF FUTURE MEETINGS (AGENDA ITEM11)</u>
	To be agreed at the Corporation meeting on 2 nd July 2024

There being no further discussion the meeting closed at 9.25 a.m.

Signed and approved as an accurate record of the meeting

Signature Date

Summary of Actions - Resources Committee 25th June 2024			
Item	Action	Person Responsible	Timescale
RES23/24.44 b – College Financial Handbook 2024	The recommendations outlined within the report, including the approval of the Reserves Policy, are submitted to the Corporation for approval.	VP	Corporation 2 nd July 2024
RES23/24.44 c – College Financial Forecast Return 2024/26	The College Financial Forecasting Return (CFFR) 2024/2026 is recommended to the Corporation for approval.	VP	Corporation 2 nd July 2024