



BURY COLLEGE FURTHER EDUCATION CORPORATION

MINUTES OF THE RESOURCES COMMITTEE MEETING **HELD VIA TEAMS ON TUESDAY, 17th JANUARY 2023**

Meeting Commenced : 8.00 a.m.
Meeting Closed : 9.16 a.m.

Present:

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

In Attendance:

Tracy Kitchingman Vice Principal Finance and Corporate Resources from 8.46 a.m.
Danny Rushden Director of HR from 8.46 a.m.
Peter Ryan Clerk to the Corporation
Becky Tootell Deputy Principal Curriculum, Quality and Standards

RES22/23.13	<u>APOLOGIES FOR ABSENCE (AGENDA ITEM 1)</u>
	There were no apologies for absence.
RES22/23.14	<u>DECLARATIONS OF INTEREST (AGENDA ITEM 2)</u>
	There were no declarations of Interest.
RES22/23.15	<u>MINUTES (AGENDA ITEM 3)</u>
	The Minutes of the meeting held on 29 th November 2022 were approved to be signed as a true and correct record.
RES22/23.16	<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.
RES22/23.17	<u>HR (AGENDA ITEM 5) (CONFIDENTIAL REPORT)</u>
	<p>a) Pay Award</p> <p>The Principal introduced the report and highlighted the current proposed offer to the trade unions and staff. The proposal had been presented to UCU and Unison on 12th December 2022. The College Leadership team had facilitated a number of virtual staff meetings in order to explain the College financial position, the impact of the pay award proposal and to answer any questions. The Unison members vote had closed on 16th December 2022 and the result had been withheld until outcome of the UCU vote. The UCU vote had closed on 16th January 2023 and the College had been notified that UCU members had decided to reject the pay award offer.</p> <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • UCU had recommended rejection of the offer to its members, with the main objection being that the £500 consolidated payment scheduled for August 2023 should be paid in the current financial year and backdated to 1st Sept 2022; • Members were disappointed that the offer had been rejected as it was competitive and what was affordable. Members had responsibility to ensure that the College remained solvent and there were still some unknown pressures, including the impact of energy costs, within the budget; • The pay award offer would reduce the College financial health grade from Outstanding to Good; • Members of the management team would meet with the trade unions to clarify the next steps.
	It was Resolved that the contents of the report should be noted.

	<p>b) AoC College Workforce Survey</p> <p>The Deputy Principal introduced the report and confirmed that the AoC Workforce Data Survey 2020/21 had been published in November 2022. 83 Colleges had responded to the survey which represented 38% of Colleges and included 60,218 employees.</p> <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • The College position was within most of the PI's norms which were reviewed via regular business review meetings; and • The College had a proactive staff wellbeing strategy and an employee assistance programme had recently been introduced.
	It was Resolved that the contents of the report should be noted.
RES22/23.18	<u>PROPERTY STRATEGY (AGENDA ITEM 6)</u>
	<p>The Principal provided an update in the following areas:</p> <ul style="list-style-type: none"> • Health and Digital Centre - Partial possession is now planned for 20th January 2023, with practical completion on 27th January 2023 for classes to start from 30th January 2023. The Vice Chair and Principal applied the College Seal and signed the Section 278 agreement (with Bury LA) on 20th December 2022; • 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; • T Levels Health and Digital - Temporary mock ward in the University Centre was now in use by University of Salford Nursing students until the planned transfer to the Health and Digital Centre once completed; • T Levels Engineering – The Scope change was approved but with 50% match funding requested. A decision had been taken to decline this offer and look to bid again in the WAVE 6 round of funding; • Transformation Fund – Progressing to RIBA Stage 4 and the updated milestone dates from the original bid had now been approved by DfE; • Greater Manchester Institute of Technology – Confirmed that the Capital Funding Agreement was signed by all parties on 22nd December 2022; • 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 and Hair and Beauty 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:
	<p>i) The contents of the report should be noted; and</p> <p>ii) The T-Level Wave 5 – Catering and Hair and Beauty Curriculum Bids are approved.</p>
	The Vice Principal Finance and Corporate Resources and Director of HR joined the meeting at 8.46 a.m.
RES22/23.19	<u>FINANCIAL MATTERS (AGENDA ITEM 7)</u>
	a) Management Accounts
	<p>The Vice Principal Finance and Corporate Resources confirmed that the operating surplus to 30th November 2022 was £1,129k (excluding pension adjustments), which was £11k favourable to budget. Income was £233k favourable to budget for the period, pay expenditure was £69k favourable to budget and non-pay expenditure £291k adverse to budget.</p> <p>The forecast year end position has been revised to accommodate the effect of potential risks and savings as identified in the major variances and the potential impact of the latest pay award offer (in excess of the 1% provided for in the original budget) currently in negotiation with the Unions. The forecast also reflected</p>

	<p>a more accurate analysis of non-pay expenditure between reporting categories, an ongoing process as part of the improved coding and more detailed hierarchy implemented in Spring 2022 by the new finance system.</p> <p>Construction continued on the new build Health and 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 the revised forecast, timing of capital spend and receipts and new grants notified in year; the current forecast indicates a reduced July 2023 position. The Financial Performance and Profitability tables in the commentary had been updated to include the forecast outturn position.</p> <p>Following questions, it was confirmed that:</p> <ul style="list-style-type: none"> • Forecast ESFA financial health grade has been downgraded from 'Outstanding' to 'Good', because of the negative impact of the increased fuel and potential pay award costs on EBITDA. The College was still forecast to achieve a 'Good' rating because of its forecast strong current ratio and ratio of borrowing to adjusted income; • The pay to income ratio had increased, mainly as a result of the pay award offer, however the cash position remained strong; and • Members considered the management accounts to be clear and succinct.
	It was Resolved that the contents of the report should be noted.
	<i>b) Issues Arising from the Reclassification of the College to the Public Sector</i>
	<p>The Vice Principal Finance and Corporate Resources confirmed that at the Corporation meeting held on 13th December 2022, Members had received a presentation on the impact of Colleges being reclassified to the Public Sector.</p> <p>Given that the reclassification was implemented with immediate effect on 29th November 2022, currently the key impact was on those Colleges who are actively engaged in processes that now required approval e.g. borrowing consents, capital projects and transactions approvals. An example of the negative consequences the DfE/Treasury post-college reclassification decision to introduce immediate controls without consultation, was included within the report. Bury College was not seeking any such approvals.</p> <p>One potential future issue may be the change in the College year end from July to March with the associated changes to financial reporting.</p>
	It was Resolved that the contents of the report should be noted.
RES22/23.20	<u>PERFORMANCE MONITORING (AGENDA ITEM 8)</u>
	<p><i>a) Funding Update</i></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><i>b) Franchise and Outward Collaborative Provision 2021/22 outturn and 2022/23 Planned Provision</i></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>As previously reported, following directives from the ESFA, 2021/22 was to be the last year that the College entered into a subcontract agreement with a 16-19 provider, however as direct funding arrangements were not in place, the College had been asked to support the school again in 2022/23. Correspondence dated 5th August 2022 from the ESFA confirmed their support in the current arrangements while partners continued to explore a more appropriate long-term model for delivery.</p>

	It was Resolved that the contents of the reports should be noted.
RES22/23.21	<u>Post Meeting Evaluation Form (AGENDA ITEM 9)</u>
	The Committee received a summary of the post meeting evaluation responses from the meeting on 29 th November 2022, which had been positive with no concerns having been highlighted.
	It was Resolved that the contents of the report should be noted.
RES22/23.22	<u>DATE AND TIME OF FUTURE MEETINGS (AGENDA ITEM10)</u>
	<ul style="list-style-type: none"> • 8.00am Tuesday, 7th March 2023 • 8.00am Tuesday, 20th June 2023

There being no further discussion the meeting closed at 9.16 a.m.

Signed and approved as an accurate record of the meeting

Signature Date

Summary of Actions - Resources Committee 17 th January 2023			
Item	Action	Person Responsible	Timescale
RES22/23.18 Property Strategy	The T-Level Wave 5 – Catering and Hair and Beauty Curriculum Bids are approved.	VP	3 rd February 2023