



## BURY COLLEGE FURTHER EDUCATION CORPORATION

### MINUTES OF THE RESOURCES COMMITTEE MEETING HELD ON TUESDAY, 10<sup>th</sup> MARCH 2020

Meeting Commenced : 8.00 a.m.  
Meeting Closed : 9.10 a.m.

#### Present:

Angela Davies Independent Member - Chair  
Charlie Deane Principal  
Peter Nicol Independent Member  
Lynne Vernon Co-opted Member

#### In Attendance:

Faz Ahmed Director of IT Services, Health and Safety and Estates  
Andrew Harrison Deputy Principal Finance and Corporate Services  
Peter Ryan Clerk to the Corporation  
Becky Tootell Deputy Principal Curriculum, Quality and Standards  
Alison Wood Director of Planning and Information Services

**RES19/20.28** **APOLOGIES FOR ABSENCE (AGENDA ITEM 1)**  
Apologies for absence were received from Lisa Woodman

**RES19/20.29** **DECLARATIONS OF INTEREST (AGENDA ITEM 2)**  
There were no declarations of interest.

**RES19/20.30** **MINUTES (AGENDA ITEM 3)**  
The Minutes of the meetings held on 14<sup>th</sup> January 2020 and 27<sup>th</sup> February 2020 were approved and signed as a true and correct record.

**RES19/20.31** **MATTERS ARISING (AGENDA ITEM 4)**  
The Clerk presented the report and confirmed that all scheduled actions had been or were in the process of being implemented.

The Deputy Principal Finance and Corporate Services confirmed that following the decision, in respect of pay, taken by the Committee on 27<sup>th</sup> February 2020, a meeting with the recognised Trade Unions would be held later in the day.

It was **Resolved** that the contents of the report should be noted.

**RES19/20.32** **HR - (Agenda Item 5)**  
The Deputy Principal Finance and Corporate Services presented the reports and confirmed the following:

**a) Staff Survey**

- A revised protocol for staff communication was being discussed with the staff forum in March;
- Further discussions were taking place with regard to leadership behaviours, the Leadership Team have met to discuss this and agreed to engage staff in a conversation about this; and
- An Internal Audit of Staff and Student Support Arrangements, Mental Health and Wellbeing took place early February and the feedback was positive in relation to the support offered. One of the recommendations relating to staff was about having some on-line resources available for staff to access and the College was looking at appropriate resources and would implement this.

**b) Gender Pay Analysis**

It was noted that the gender pay gap had increased since the 2018 analysis and this could be for a number of reasons including the number of starters and leavers, number of females in the lower salary roles and more women than men in part time roles. The report would be run again in April 2020, in order to undertake a deeper analysis and investigate further the data of the current workforce and identify if there were issues

and actions that could/should be taken. This update would be provided at the next meeting. The College Gender pay gap position figures would be published on the College website before 31<sup>st</sup> March 2020.

Following a question regarding equal pay, it was confirmed that the agreed salary scales applied to all staff.

It was **Resolved** that:

- a) **The contents of the reports should be noted; and**
- b) **The report would be run again in April 2020 to review the data of the current workforce and identify if there were issues and actions that could/should be taken and an update would be provided at the next meeting.**

#### **RES19/20.33 PROPERTY STRATEGY (Agenda Item 6)**

The Director of IT Services, Health and Safety and Estates introduced the report and confirmed that:

- The final grant offer letter from GMCA (18th December 2019) had been signed by the Principal in accordance with the agreed delegated authority from the Corporation on 29th October 2019;
- Wylie & Bisset LLP had undertaken a Confirmatory Due Diligence exercise in accordance with the Greater Manchester Combined Authority (GMCA) conditional grant offer dated 18th December 2019. The report concluded that, following a review of the key assumptions, sustainability and key risks, no issues had been identified to the viability of the project;
- A Valuation report was awaited of the Woodbury Campus to enable Barclays to obtain consent for GMCA to take security over the new building;
- The College had commenced the procurement exercises to appoint the Design Team starting with the Project Manager who would then assist with the appointment of the Architect, Quantity Surveyor and ultimately the main Contractor;
- The College had appointed a consultant to help with surveys and a scope of design support services to undertake a due diligence assessment of the proposed site for the New Health Innovation STEM Centre site; and
- Due to the change in Regulations, the survey of cladding was now a specialist area of competence and the previous consultants were not able to offer this service. The College was seeking a new consultant to carry out the re-inspection of all buildings with cladding, in line with current Government guidelines, and provide the appropriate indemnity insurance.

Members also noted that a number of sources of Capital Funding were emerging, with levels of contribution ranging from 50% to 80%. Bids would be developed which complemented current plans and the achievement of future objectives.

It was **Resolved** that the contents of the report should be noted.

#### **RES19/20.34 HEALTH AND SAFETY MID-YEAR REVIEW (Agenda Item 7)**

The Director of IT Services, Health and Safety and Estates introduced the report and confirmed the following:

- **Audits** - Health & Safety Audits have been completed in October 2019 for Animal Care, Plumbing and Electrical Installation. Further audits were planned for Plastering and Foundation Studies.
- **Management of Contractor Procedures** - A College Contractors ACoP had been introduced, and a Contractors Handbook is being utilised.
- **Management and Control of Substances Hazardous to Health (COSHH)** - Workplace Exposure Air Monitoring had been completed in January 2020 for Bricklaying, Joinery, Plastering, Science chemicals, Soldering and Photography. Visits were also scheduled in March for Science Biology Lab CO2 levels, MIG Welding, Animal Care and Nail Acrylics.
- **Accidents/Incidents** – There had been 158 accidents between August 2019 and February 2020. 6 investigations had been concluded and 61 medical incidents logged. There had been 16 Near Misses & Dangerous Occurrences.
- **Coronavirus COVID-19 Update** – The College continued to take advice from Public Health England and was regularly reviewing updates in order to keep staff and students informed.

In respect of the Coronavirus, following questions, it was confirmed that the following arrangements were in place:

- The College received expert advice from its H&S consultant Ellis Whittam;
- Advice from Public health England was regularly reviewed and informed actions.

- The College received NHS information updates.
- Posters had gone up in receptions, LRCs, student services and in toilet areas;
- All staff advisory email had been issued to staff;
- Student text and Staff email communications have been issued;
- Hand sanitiser wall dispensers were to be installed at Woodbury LRC and Millennium LRC entrances;
- Hand sanitisers on walls outside apprenticeship hub, security offices, receptions, and vistas to be filled with sanitiser;
- Small portable bottles of sanitisers had been purchased for receptions, student services, vistas and security staff; and
- The option of adding a notice to the screens on computers in LRC and on campus screens was being implemented.

Following questions, it was confirmed that a full management team meeting would review business continuity arrangements. In addition, the Coronavirus had been added to the College High Risk Register and would be discussed at the Audit Committee later in the day.

It was **Resolved** that the contents of the report should be noted.

#### **RES19/20.35 FINANCIAL MATTERS (Agenda Item 8)**

##### **a) *Management Accounts to 31<sup>st</sup> January 2020***

The Deputy Principal Finance & Corporate Services presented the College Management Accounts to January 2020 and confirmed that the operating surplus to 31<sup>st</sup> January 2020 was £996k (excluding pension adjustments) which was £365k ahead of budget. This was currently forecast to outturn for 2019/20 at £1.4m operating surplus (excluding pension adjustments), up by £0.8m. This was due to progress on income, non-pay and pay expenditure. The latter (excluding pension adjustments) being £287k lower than budget at the mid-year point (6 months). The Resources Committee's decision in relation to the pay award was still to be implemented, due to on-going union negotiations but the cost has been accrued.

Once again, the notional pension adjustments would skew the figures this year. The College had budgeted on the latest projections adjustments of £1.19m. Subsequently the Actuary's forecast in September 2019 projected £1.73m which had now been included in the forecast. Given the level of uncertainty regarding the economic climate, forecasting the position to 31 July 2020 remains challenging. If the pension adjustments are taken into account, the College predicted that it will outturn at about the £0.5m budgeted deficit.

It was **Resolved** that the contents of the report should be noted.

##### **b) *Debt Collection***

The Deputy Principal Finance & Corporate Services confirmed that in November 2019, the Committee had agreed to the introduction of a selective referral to debt collection agencies for aged business debts.

The College identified 6 outstanding debts owed by 5 companies with original invoice dates from October 2017 to March 2019. These debts were referred to the debt collection agency on 30th January 2020. The impact was immediate: within one week 2 companies had settled their original debt. Another company had arranged to pay its debt over 10 months. Only 2 companies had failed to respond and the College had the option to commission a trace with the Agency.

Members agreed that the limited pilot had demonstrated that debt collection had been improved by the selective referral to debt collection agencies for aged business debts and these arrangements should continue.

It was **Resolved** that the contents of the report should be noted.

##### **c) *Trust Fund***

The Deputy Principal Finance & Corporate Services confirmed that the College had a sizeable Trust Fund, which had grown significantly with accrued notional interest. The Trust Fund issue is now resolved and the College would now concentrate on applying the funds for their intended purposes.

It was **Resolved** that the contents of the report should be noted.

#### **d) Integrated Financial Model for Colleges**

The Deputy Principal Finance & Corporate Services confirmed that the new Integrated Financial Model for College (IFMC) set out the forecast outturn for the current year (2019/20) and forecasts for the following two years (2020/21 and 2021/22). Its introduction had been problematic and some errors remained within the Model. The Finance Team had managed to get the Model to balance for submission to the ESFA by 28 February 2020.

The College was ready to build on the substantial progress in its financial performance in 2019/20 and maintain its 'Outstanding' Financial Health. A substantial increase in 16-18 ESFA Funding rates had enabled the College to maintain a good underlying position, whilst increasing pay for staff and affording the £6m new building.

The Special meeting of the Resources Committee held on 27<sup>th</sup> February 2020 had approved the submission of the IFMC and it was submitted later that day to meet the 28<sup>th</sup> February deadline.

Following questions, it was confirmed that at the Special meeting held on 27<sup>th</sup> February 2020, Members had questioned and sought clarity on the Key Assumptions as follows:

- The move in the operating deficit over the 3-year period from £560k to £226 to £547k mainly related to the end of an externally funded project in 2020/21. No assumptions of new similar contracts had been included within the forecast;
- A prudent assumption of income had been included within the forecasts;
- The Actuaries used their own assumptions in respect of pay costs and pension adjustments of £2m had been included in each of the 3 years of the plan. This did not have an impact on the cash position;
- It was anticipated that the 16-18 allocation may be better than originally forecast due to the impact of the disadvantage factor;
- No increase in funding rates had been assumed after the second year of the plan, however increases in pay had been included.;
- A reduction in Apprenticeship income had been assumed;
- An update on the Debt position and the limited use of an external agency would be reported to the Resources Committee on 10<sup>th</sup> March 2020;
- The Bank Loan reduced over the period from £1.8m to £1.5m to £1.3m by the year ending July 2022;
- The cashflow impact of the Capital Programme was detailed at sections C4 and C5 of Appendix 3. In addition, as a condition of Capital Funding, an external due diligence had been undertaken on the project. The result was positive and would be reported to the Resources Committee on 10<sup>th</sup> March 2020.

Members considered that, subject to any alternative guidance from ESFA, the IFMC submission included the budget plan for 2020/21, and that this should be presented to the Corporation in March 2020, for approval.

It was **Resolved** that:

- a) The contents of the report should be noted; and**
- b) Subject to any alternative guidance from ESFA, the IFMC submission included the budget plan for 2020/21, and that this should be presented to the Corporation in March 2020, for approval.**

#### **RES19/20.36 PERFORMANCE MONITORING (Agenda Item 9)**

##### **a) Funding Update**

The Director of Planning and Information Services introduced the report and highlighted the position for 2019/20 in the following areas:

- Allocations: 16-19 Study Programmes, AEB, Apprenticeship funding;
- Full Time enrolment update; and
- Funding Update: Loans, Apprenticeships, AEB, HE and SSW.

In addition, in relation to 2020/21 allocations, increases to national funding rates, College funding factors, additional High Needs Students and additional payments for High Value courses, maths and English, had resulted in an increase in Allocation (excluding Student Financial Support Funding) of £783k.

**b) Subcontracted Partnership Provision 2019/20**

The report summarised the partners, types of provision, funding and contract values for all activity in 2018/19. The 2019/20 table confirmed the roll forward value for carry in and the additional contract amounts negotiated for 2019/20 starts. Current plans significantly decreased the contract value of subcontracted activity in 2020/21.

It was **Resolved** that the contents of the reports should be noted.

**RES.19/20.37 Post Meeting Evaluation Form (Agenda Item 10)**

The Committee received a summary of the post meeting evaluation responses from the meeting on 14<sup>th</sup> January 2020, which had been positive with no concerns having been highlighted.

It was **Resolved** that the contents of the report should be noted.

**RES19/20.38 DATE AND TIME OF FUTURE MEETINGS (Agenda Item 11)**

- **8.00am Tuesday, 16<sup>th</sup> June 2020**

*Venue: Beacon Centre Board Room*

**RES19/20.39 ANY OTHER URGENT BUSINESS**

The Principal reported that the Local Authority had decided to include the College within its Business Improvement District and this decision could cost the College £20k. Given the Colleges legal status, the decision would be challenged.

It was **Resolved** that the contents of the report should be noted.

**There being no further discussion the meeting closed at 9.10 a.m.**

**Signed and approved as an accurate record of the meeting**

**Signature** .....

**Date** .....

| <b>Summary of Actions - Resources Committee<br/>10<sup>th</sup> March 2020</b>          |  |   |   |
|---|--|---|---|
| <b>Item</b>   | <b>Action</b>  | <b>Person Responsible</b>                       | <b>Timescale</b>  |
| <b>RES19/20.32<br/>b) Gender Pay analysis</b>   | The report would be run again in April 2020, in order to undertake a deeper analysis and investigate further the data of the current workforce and identify if there were issues and actions that could/should be taken. This update would be provided at the next meeting.<br><br>The College Gender pay gap position figures would be published on the College website before 31st March 2020. | Director of HR, Student and Customer Services   | Resources Committee 16 <sup>th</sup> June 2020<br><br>Web Site 31 <sup>st</sup> March 2020. |
| <b>RES19/20.35<br/>Financial Matters<br/>d) Integrated Financial Model for Colleges</b> | Subject to any alternative guidance from ESFA, the IFMC submission included the budget plan for 2020/21, and that this should be presented to the Corporation in March 2020, for approval.   | Deputy Principal Finance and Corporate Services | Corporation 31 <sup>st</sup> March 2020.  |