

**Preston College**

**Redacted and Abridged Minutes of the Resources Committee Meeting held on Thursday 6<sup>th</sup> October  
2022 at 5.30pm  
Via Zoom**

**Present:**

|                 |                                       |
|-----------------|---------------------------------------|
| Mr Steve Browne | Acting Chair                          |
| Mr John Boydell | (from Minute 2)                       |
| Ms Joanne Jones |                                       |
| Ms Lisa Keegan  |                                       |
| Mr Simon Nixon  | Interim Principal and Chief Executive |

**In attendance:**

|                  |   |
|------------------|---|
| Mrs Gill Clarke  | Interim Head of Estates and Facilities (for Minute 2) |
| Mr Matthew Hirst | Director at Fusion Project Management (for Minute 2)  |
| Mrs Clare Rayner | Clerk to the Board                                    |
| Mr Iain Stott    | Interim Executive Head of Resources                   |
| Ms Gill Thornton | Head of Human Resources                               |

**Apologies:**

Ms Ashley Dalton

**1. Welcome and Apologies**

Members noted that the meeting was inquorate. As no decisions were required on the Estates Strategy it was agreed to continue with presentation.

The Principal and Chief Executive introduced Mr Hirst, Director at Fusion Project Management.

Mrs Clarke and Mr Stott introduced themselves to governors.

**2. Estates Strategy**

Members noted the Preston College Estates Strategy 2022 -27 report, dated September 2022.

Mr Hirst delivered a presentation on his report. He reported:

- on the objectives of the College's estates strategy;
- on their evaluation of the existing estate and the categorisation of College buildings;
- on three options and the focus on development of Option 2;
- on areas for development;
- potential for capital grants going forward and the possible contributions the College would need to make.

*(John Boydell joined the meeting during the presentation)*

The Clerk reported that the meeting was quorate and apologies had been received from Ms Dalton.

The Committee agreed that Mr Browne should Chair the meeting.

The Committee discussed the draft Estates Strategy with Mr Hirst and management and provided feedback.

The Interim Principal and Chief Executive and Mr Hirst thanked members for their feedback and steer which would inform the next version of the College's Estates Strategy. The Committee noted that the Estates Strategy would be reviewed by the Board at the Deep Dive on 3<sup>rd</sup> November 2022 with the final strategy to be presented to Resources at its next meeting.

Mr Hirst was thanked for his report and attendance at the meeting.

**Resolved: The Committee noted the Estates Strategy 2022 – 2027 at Appendix A and presentation from Fusion PM.**

**Action: To update the Estates Strategy report in light of feedback from the Committee.**

3. **Declarations of Interest**

No declarations of interest were made.

4. **Minutes of the previous meeting – 16<sup>th</sup> June 2022**

The Committee agreed the Minutes of the Resources meeting on 16<sup>th</sup> June 2022 were agreed as a correct record.

**Resolved: the minutes of the meeting held on 16<sup>th</sup> June 2022 were agreed as a correct approved.**

5. **Matters arising**

The Committee noted the report on progress of actions from previous meetings.

Mr Nixon and Ms Thornton gave a verbal report on the outcomes of discussions with the local pay award negotiations with the recognised unions on the proposed staff pay award.

Following discussion, members were supportive of the strategy of offering a staff pay award strategy alongside the changes required for the Foundation Living Wage.

**Resolved: The Committee noted the report on progress of actions from previous meetings.**

6. **Staff Voice**

Ms Thornton, Head of Human Resources, presented her report on Staff Voice meetings held in June 2022. Ms Thornton reported:

- that nominated staff members (Staff Voice Champions) met with members of the Executive Leadership Team (ELT) throughout the academic year at Staff Voice meetings;
- that Staff Voice topics included staff communications, implementation of the hybrid working policy, College facilities, staff equipment and Continuous Professional Development (CPD) opportunities for staff;

- on outcomes of the June Staff Voice meeting and management's response.

The Committee noted the Staff Voice report and agreed it provided a comprehensive overview of recent Staff Voice matters. Members were pleased to note that the Wi-Fi coverage in College had been improved as this had been highlighted previously by staff and learners. The Committee noted that the Staff Survey would be considered by the Committee at a future meeting.

Following a query, Ms Thornton undertook to provide an update on the staff uptake of online CPD which was not mandatory. However, the Committee noted that some CPD was developed for certain staff or schools and would not be relevant for all staff to complete.

**Resolved: The Committee noted the Staff Voice report.**

**Action: Ms Thornton to provide an update on the staff take up of online CPD which was not mandatory.**

#### 7. **Penetration Testing**

Mr Stott, Interim Executive Head of Resources, presented his Penetration Testing report. The Committee discussed and noted the report.

**Resolved: The Committee noted the Penetration Testing report.**

#### 8. **Draft Outturn Position 2021/22**

Mr Stott referred members to the Period 12 Management Accounts and the Draft Outturn Position 2021/22 report. The Committee noted that, subject to final checking, and external audit, the draft surplus (before pensions adjustments) for 2021/22 against the original budget.

Mr Stott reported that:

- provision had been made for potential clawback of Adult Education Budget (AEB) funds if the tolerance of 97% was not met. He reported that whilst staff were doing all they could to achieve the tolerance level, adult education continued to be affected by the pandemic and the cost of living crisis;
- the impact on increased use of agencies during 2021/22;
- the apprenticeship income performance had been better than budgeted.

The Principal and Chief Executive reported that the College's outturn performance for 2021/22 was the closest the College had been to achieving income targets in many years.

The Committee recorded congratulations to management and staff at the College for achieving a surplus above budget, particularly after another challenging year.

**Resolved: The Committee noted the Period 12 Management Accounts and the forecast outturn position report.**

#### 9. **Capital Budget Outturn 2021/22**

Mr Stott presented his report on the Capital Budget Outturn 2021/22. He reported on investments including:

- T Level construction bid;
- HE grants;
- a new College audio system which was used for operational and security messages. The system also played music during breaks. The system had already recently successfully deterred trespassers.

The Committee noted the Capital Budget Outturn position 2021/22 report.

**Resolved: The Committee noted the Capital Budget Outturn position 2021/22 report.**

**10. Performance against KPIs 2021/22**

Mr Stott referred members to the performance against Key Performance Indicators (KPIs) 2021/22 report and funding dashboard. He reported:

- progress had been made in achieving the benchmark value of 65% in relation to pay costs as a percentage of income,
- the impact of the cost of living crisis on HE and adult classroom income had been discussed previously and this would continue to be a RAG rated 'red.'
- improvements in KPIs since the last report.

The Committee noted the Performance against KPIs 2021/22 report and funding dashboard.

**Resolved: The Committee noted the Performance against KPIs 2021/22 report and funding dashboard.**

**11. Sustainable Construction SDF Project Contract Approval**

The Interim Principal and Chief Executive presented his report on the Sustainable Construction SDF Project Contract. He reported that the College had a grant funding allocation under the Skills Development Fund (SDF) to support a Sustainable Construction project.

The Interim Principal and Chief Executive explained that Fusion21 procurement framework, which specialised in de-carbonisation projects, had been used to select a contractor to undertake the works within the available funds. He explained that the works were designed to introduce new technologies into the College's Building Services Engineering provision.

The Committee noted:

- that no additional College funds would be required for this project.
- the report, Appendix A, was a summary of works and costs, showing a total contract sum);

- subject to Committee approval, the Board would be asked to consider approval of the award by written resolution;
- subject to Board approval, works could commence at half term.

The Committee agreed to recommend to the Board approval of the award of the contract for the works as detailed in the report.

**Resolved: The Committee agreed to recommend to the Board approval of the award of the contract for the works as specified in the report.**

12. **Any other Business**

The Clerk reported that the Committee's self-assessment evaluation had been deferred to the next meeting as not all members had completed the questionnaire and asked all members who had not yet completed the questionnaire if they could complete it before the next meeting. She undertook to send a reminder email.

13. **Date of Next Meeting**

The Committee noted that the next meeting would be held on 24<sup>th</sup> November 2022.

## Preston College

### Redacted and abridged<sup>1</sup> Minutes of the Resources Committee Meeting held on Thursday 24 November 2022 at 5.30pm Via Zoom

#### Present:

|                 |                                       |
|-----------------|---------------------------------------|
| Mr Steve Browne | Acting Chair                          |
| Mr Simon Nixon  | Interim Principal and Chief Executive |
| Mr John Boydell | Until Minute 12                       |
| Ms Joanne Jones |                                       |
| Ms Lisa Keegan  |                                       |

#### In attendance:

|                  |  |
|------------------|--|
| Mrs Clare Rayner | Clerk to the Board   |
| Mr Iain Stott    | Interim Executive Head of Resources                                      |
| Ms Gill Thornton | Head of Human Resources  |
| Mrs Viv Caparros | Head of School – Skills Development and English and Maths (for Minute 9) |
| Mr Nick Noblett  | Up to Minute 5   |

#### Apologies:

Ms Ashley Dalton

#### 1. Welcome and Apologies

The Acting Chair noted that apologies had been received from Ms Dalton.

The Acting Chair welcomed Mr Noblett who had joined the meeting for item 5.

The Acting Chair reported that Mrs Caparros, Head of School – Skills Development, ESOL and Community, would join the meeting later to present the changes to the Equality, Diversity and Inclusion policy.

It was noted that a quorum was present.

#### 2. Declarations of Interest

The Committee noted Miss Keegan, staff governor, was also the College's Health and Safety Officer and would co-present item 6 the Health and Safety Annual Report. The Committee noted that this report was for noting and there would be no requirement for Miss Keegan to leave the meeting.

#### 3. Minutes of the previous meeting – 6 October 2022

The Committee agreed the Minutes of the Resources meeting on 6 October 2022 as a correct record.

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<sup>1</sup> Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

**Resolved: The Minutes of the meeting held on 6 October 2022 were approved as a correct record.**

**4. Matters arising**

The Committee noted the report on progress of actions from previous meetings.

Ms Thornton, Head of Human Resources, referred to Minute 5 and gave an update on the Staff Pay Award negotiations following discussion at the last Resources Committee meeting and the Board. The Committee noted that with the approval of the Board, the College had proposed to the unions a pay award of at least 3% from 1 August 2022 and a further 2% in April 2023. It was noted that all unions had held a ballot with their members and had accepted this pay award and staff would receive the pay award and back pay from August 2022 on 25 November 2022. Ms Thornton reported that the pay award also included a commitment to exploring Foundation Living Wage accreditation and a review of staff workload.

The Acting Chair thanked management on behalf of the Committee for the efforts made to achieve this result.

The Committee noted that the staff were appreciative of the staff pay award which had made good progress towards improved staff terms and conditions at the College.

The Acting Chair highlighted that whilst it was important to explore Foundation Living Wage accreditation, care needed to be taken due to the potential impact on supply chains.

Ms Thornton explained that the commitment of the College to consider staff workload was part of a national commitment within the FE sector and was not an issue which was particular to the College.

The Committee discussed with management the workload of staff, the importance of duty of care to staff and adherence with working time regulations. Ms Thornton confirmed that to her knowledge this was not a concern raised by staff at the College.

**Resolved: The Committee noted the report on progress of actions from previous meetings.**

**5. Lancashire and Cumbria Institute of Technology**

Mr Noblett gave a verbal report on the proposed arrangements for the Lancashire and Cumbria Institute of Technology (L&CioT) from a Resources perspective.

The Committee discussed the plans with management and the Clerk and noted the verbal report.

**Resolved: The Committee noted the verbal report on the College's role in the Lancashire and Cumbria Institute of Technology.**

**6. Health and Safety Annual Report**

Mr Stott, Interim Executive Head of Resources, and Miss Keegan, Health and Safety Officer, presented the Health and Safety Annual Report 2021/22. Mr Stott reported:

- that the total number of incident report forms received had increased from 100 to 373. However, the previous year's figures were reduced due to lower than usual onsite campus activity due to Covid;

- that the number of College related incidents increased from 35 to 98;
- that the College had eight Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2012 (RIDDOR) reportable incidents during the academic year 2021/22 with seven RIDDOR reportable incidents related to learners and one related to a staff member;
- that there had been seven 'near misses' reported. This category of incident had been introduced in 2021/22, to comply with the Health and Safety Executive best practice and as a preventative measure;
- the total number of incidents reported in 2021/22 had returned to a similar volume reported in the pre-pandemic years.

During discussion with management the Committee noted:

- the culture of staff and learners reporting near misses continued to be embedded at the College and it was anticipated that the number of near misses would grow year on year;
- the College had highlighted the importance of recording near misses in staff training and a QR Code had been introduced to make it quick and simple for staff to record near misses;
- that a number of the RIDDOR reportable incidents related to the same incident. Management agreed to provide further detail on the incidents at the next meeting.

The Committee noted the Annual Health and Safety Report 2021/22.

**Resolved: The Committee noted the Annual Health and Safety Report 2021/22.**

**Action: Miss Keegan to provide further information on the RIDDOR incidents referenced in the report.**

## **7. People Strategy Action Plan 2021/22 Review**

Ms Thornton, Head of Human Resources, presented her report on the People Strategy Action Plan 2022/23. Ms Thornton reported:

- that 13 of the 18 activities have been completed, there were amber and two had been deferred;
- lessons which had been learnt from project work were now captured and addressed as part of development of future Action Plans.

The Committee noted the report and the People Strategy Action Plan 2022/23 at Appendix A.

**Resolved: The Committee noted the report and the People Strategy Action Plan 2022/23.**

## **8. People Strategy Action Plan 2022/23**

Ms Thornton presented her report on the People Strategy Action Plan 2022/23. Ms Thornton reported on the HR activities and projects the College aimed to achieve during 2022/23.



The Acting Chair highlighted that the actions in the project were operational and it might be beneficial for the Committee to have oversight of key strategic HR objectives. The Committee agreed that Ms Thornton should propose draft key HR priorities that can be monitored at a strategic level for consideration by the Resources Committee.

Members discussed the importance of the Committee having oversight of strategic matters such as:

- recruitment and retention of staff;
- how HR matters contributed to the overall College strategy;
- how College resources were being spent.

It was noted that this was the final year of the College's strategic plan and it was timely for the Committee to consider its role and approach to reviewing HR/people strategy before the new College strategy was introduced from 2022 onwards.

**Resolved: The Committee reviewed the People Strategy Action Plan 2022/23 at Appendix A and recommendation the plan to the Board for approval.**

**Action: Ms Thornton to draft key HR priorities for the Committee to monitor at a strategic level for consideration by the Resources Committee.**

## 9. Equality, Diversity and Inclusion Policy

*Mrs Caparros joined the meeting.*

The Acting Chair welcomed Mrs Caparros, Head of School – Skills Development and English and Maths, to the meeting.

Mrs Caparros presented the new Equality, Diversity and Inclusion (EDI) Policy and outlined why the policy had been revised and the ambition of the College to meet and, where possible, exceed legal requirements related to EDI. Mrs Caparros referred to the introduction of the College's Equality, Diversity and Inclusion Statement in the policy.

In response to a query Mrs Caparros explained what the FREDIE (Fairness, respect, equality, diversity, inclusion and engagement) principles were and the College's commitment to embedding them.

In response to a query on how the Board could support the implementation of the policy, Mrs Caparros discussed with the Committee that the Governing Body had attended EDI training in September 2022 with the second part of this training to take place in 2023. Members also discussed with Mrs Caparros the need to further improve the diversity of the Board. It was noted that a student governor from the College's English for Speakers of Other Languages (ESOL) department had recently been appointed to the Board.

The Committee discussed with management the importance of the EDI policy being embedded into College culture for governors, staff and learners.

The Committee agreed to recommend the new EDI Policy to the Board for approval.

The Interim Principal and Chief Executive reported that Mrs Caparros was retiring from the College in December 2022 after working at the College for 27 years. The Committee recorded thanks to Ms Caparros for her contribution to the College and best wishes for her retirement. Mrs Caparros thanked the Committee.

**Resolved: The Committee agreed to recommend the new Equality, Diversity and Inclusion Policy to the Board for approval.**

**10. Recruitment and Retention of Subject Specialists**

Ms Thornton, Head of Human Resources, presented her report on Recruitment and Retention of Subject Specialists.

Following discussion, the Committee agreed the action going forward.

**Resolved: The Committee noted the report and agreed the action going forward.**

**11. Annual Report, Financial Statement and Management Letter**

Mr Stott presented his Annual Report, Financial Statement and Management Letter report. Mr Stott reported that:

- the external audit was almost complete;
- the College were awaiting the reconciliation statement and would be subject to Adult Education Budget (AEB) clawback. The auditors had agreed that the accounts did not need to be adjusted;
- as the College AEB income outcome and impact on budget; ;
- the Audit Committee had reviewed the draft financial statements and had requested some updates to the commentary which had now been completed and the revised version would be considered at the Board meeting on 15 December 2022.

The Committee approved the financial statements for 2021/22 and agreed to recommend formal adoption by the Board at its meeting on 15 December 2022.

**Resolved: The Committee approved the financial statements for 2021/22 and agreed to recommend formal adoption by the Board at its meeting on 15 December 2022.**

*Mr Boydell left the meeting.*

The Clerk reported that as the meeting was now inquorate no decisions could be made or actions taken.

**12. Data Protection Policy**

Members noted that this would be considered by written resolution.

**13. Subcontracting Supply-Chain Fees and Charges**

Members noted that this would be considered by written resolution.

14. **Period 2 Management Accounts**

Members noted that this would be considered by written resolution.

15. **Performance Against KPIs**

Members noted that this would be considered by written resolution.

16. **Staff Survey 2021/22**

The Acting Chair suggested that Staff Survey 2021/22 report could be considered at a future Board meeting given the importance of the topic. The Interim Principal and Chief Executive and the Clerk undertook to ascertain if some time could be allocated during the Board's afternoon session.

17. **Review of Committee Terms of Reference**

Members noted that comments could be sent by email on the proposed changes to the Resources Committee Terms of Reference. The Acting Chair suggested that the number of members of the Committee should not be decreased to five as this would mean only two independent governors would serve on the committee as a minimum. The Clerk explained that she had proposed five as a minimum number of members. The Clerk undertook to review committee membership sizes based on all independent vacancies being filled.

18. **Date of Next Meeting:**

Members noted that the next meeting would be held on 9 February 2023.

**Preston College**

**Redacted and abridged<sup>1</sup> Minutes of the Resources Committee Meeting held on  
Thursday 4 May 2023 at 5.30pm  
Preston College Boardroom**

**Present:**

|                         |                               |
|-------------------------|-------------------------------|
| Ms Joanne Jones         | Chair (from Minute 2)         |
| Mr Steve Browne         |                               |
| Mr Simon Nixon          | Principal and Chief Executive |
| Mr Jose Sedano-Martinez |                               |
| Ms Lisa Keegan          |                               |
| Mr John Boydell         | Zoom (from Minute 5)          |

**In attendance:**

|                   |  |
|-------------------|--|
| Mrs Clare Rayner  | Clerk to the Board                             |
| Mr Iain Stott     | Interim Executive Head of Resources            |
| Ms Gill Thornton  | Head of Human Resources (items 8 and 9 only)   |
| Mrs Rebecca Paley | Principal's Executive Assistant (Minute-taker) |

**1. Appointment of Chairperson**

The Clerk welcomed members to the meeting and welcomed Mr Jose Sedano-Martinez to his first meeting.

The Clerk noted that the Committee was quorate and asked for nominations for the Chair of Resources Committee.

Mr Steve Browne nominated Ms Joanne Jones. The Committee agreed the nomination.

**Resolved: The Committee appointed Ms Jones as Chair of Resources Committee.**

**2. Welcome and apologies**

The Chair welcomed governors to the meeting, with a specific welcome to Mr Jose Sedano-Martinez who joined the Committee for the first time.

There were no apologies.

**3. Declarations of Interest**

No declarations of interest were made.

**4. Matters arising**

The Committee reviewed the report on the progress of actions from previous meetings.

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<sup>1</sup> Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

A member was of the view that whilst progress had been made on providing information to governors on the support for learners, which included Looked after Children, it was important that the Committee revisited this important area before the action was closed. He acknowledged the original plan to have a presentation had not been progressed due to Covid.

Members discussed with management:

- that the Board received an annual safeguarding report which included information on Looked after Children;
- the importance of differentiating between safeguarding and support for Looked after Children;
- whilst the Committee were aware that supporting vulnerable learners was a strength of the College, it remained important that the Committee received further information on learner progress for Looked after Children in order to assess if appropriate resources were in place and for governors to understand why some Looked After Child might did not complete their courses. It was noted that there were many reasons Looked After Children might need to leave the College;
- a suggestion that the Board could appoint a lead governor for this area.

The Clerk confirmed that the actions related to Looked After Children would not be closed down and suggested that a future Deep Dive session be utilised to explore the support for Looked after Children further.

The Chair welcomed Mr John Boydell to the meeting on Zoom.

The Clerk referred to the report on decisions taken between meetings. The Committee reported that that the Committee had approved a written resolution, issued on 21 February 2023:

to approve:

- the minutes of the Meeting held on 24 November 2022;
- a recommendation to the Board to approve the publication of the Gender Pay Gap Report;
- a recommendation to the Board to approve the Fees Policy 2023/24.

to note:

the contents of the draft Estates Strategy including the submission of the Wave 5 Building and Facilities Improvement Grant (T-Level) application together with the match contribution (funded from a separate energy efficiency grant, and therefore no impact on underlying College cash)

- the Period 5 Management Accounts;
- the current performance against Key Performance Indicators (Period 5);
- the Workforce Profile Report for 2021/22;
- the proposed actions arising from the Gender Pay Gap data;

- the Staff Voice November 2022 Meetings report.

**Resolved: The Committee noted the report on progress of actions from previous meetings and the written resolution approved between meetings.**

**Action: Not to close the action on providing further information on Looked After Children and to progress this a theme of a future Deep Dive session.**

## 5. **Whistleblowing Policy and Procedure for Speaking Out**

Ms Thornton, presented recommendations regarding postponing the review of the Whistleblowing Policy and Procedure for Speaking Out until spring 2024, pending the government's review of its Whistleblowing Framework which was would conclude in autumn 2023.

Members discussed the importance of ensuring that all stakeholders were aware of the Whistleblowing policy.

The Clerk, as the Designated Assessor for whistleblowing complaints at the College, responded to a question on frequency of use of the policy at the College.

The Committee agreed to postpone approval of the Whistleblowing Policy and Procedure for Speaking out until the spring term 2024 and noted the refreshed policy at Appendix A.

**Resolved: The Committee:**

- **agreed to postpone approval of the Whistleblowing Policy and Procedure for Speaking out until the spring term 2024;**
- **noted the refreshed policy at Appendix A.**

*Ms Thornton left the meeting.*

## 6. **Financial Regulations**

Mr Iain Stott, Interim Executive Head of Resources, presented his paper regarding the review of the Financial Regulations and proposed a postponement until the autumn cycle of meetings when all necessary changes, including job title updates and changes necessitated by reclassification of Colleges as public sector could be made.

The Committee noted the HMT MPM return for 2022/23; and agreed to postpone approval of the Financial Regulations until its meeting in October.

**Resolved: The Committee:**

- **noted the HMT MPM return for 2022/23; and**
- **agreed to postpone approval of the Financial Regulations until its meeting in October.**

## 7. **Capital Grants and Estates Strategy**

Mr Stott presented his report on Capital Grants and the Estates Strategy. Mr Stott outlined the rationale for the deferred of the Committee's review of the Estates Strategy until autumn pending the outcome of College grant bids. Following discussion, and reassure that this would disadvantage the College, the Committee agreed the deferral of the Estates Strategy.

The following points were highlighted:

- three additional capital allocations had been received from the Department for Education (DfE) - an Energy Efficiency Grant, a Reclassification Grant and a Transformation Fund, each with specific criteria and timeframes;
- the T Level Capital bid outcome should be received in June 2023;
- work was ongoing to ensure each fund was utilised in such a way as to achieve maximum benefit to the College and it was proposed that plans be incorporated into the Estates Strategy to reflect this.

The Committee noted the capital grants received. Governors emphasised the need for the College to finalise an Estates Strategy which was reflective of curriculum priorities, with investment in the right places.

A member referred to feedback from Visual and Performing Arts (VPA) learners at the recent Deep Dive session on issues with the changing facilities and asked that learners be consulted regarding proposed works to improve the changing room facilities to ensure plans were fit for purpose.

Management confirmed that improvements would be made to the changing facilities over the summer period, with learner input. However, management would need to ensure that any plans were affordable before learners were consulted.

Following discussion on affordability of options to resolve the issues with the changing rooms, a member was of the view that it was important that the issues raised by learners were resolved satisfactorily, even if additional funding was required. Members discussed that quality of outcome was key.

The Committee agreed the proposed capital works, subject to a review of the proposed solution for the changing facilities to ensure it met learner needs.

**Resolved: The Committee:**

- **noted the capital grants received;**
- **agreed to defer the approval of the Estates Strategy to after the outcome of the Wave 5 Building & Facilities Improvement Grant (T-Level) bid is known and impact of the new capital grants understood;**
- **agreed the proposed capital works, linked to the Estates Strategy, scheduled for summer 2023; subject to a review of expenditure to resolve the issue regarding the VPA changing facilities to ensure it met learner needs.**

## **8. Management Accounts**

Mr Stott presented the Period 8 Management Accounts and informed governors that improvements had been made since the previous report at Period 6 and the College was the revised surplus forecast for 2022/23.

Following questions from governors the following was confirmed:

- signs were showing that staff recruitment in hard to reach areas was slowly improving, with the new retention supplement having been successfully used to retain a key member of staff;

- staffing costs included agency staff.

Mr Stott also reported that the Education and Skills Funding Agency (ESFA) had recently announced an earning boost to colleges of 2.2% on all Adult Education Budget (AEB) provision, increasing to 20% across areas which had seen difficulty in recruitment and resourcing during 2022/23. . For future years the increase would be factored into changes in funding rates.

Members discussed the impact of interest rates and inflation on the Management Accounts.

The Committee noted the Period 8 management accounts and commentary.

**Resolved: The Committee noted the Period 8 financial position.**

## 9. **Performance Against KPIs**

Mr Stott referred members to the performance against Key Performance Indicators (KPIs) 2022/23 report and funding dashboard. He reported:

- 16-18 numbers were 97 above allocation and were expected to reach 128 above by the end of the year, which was positive positioning for the lagged funding model;
- apprenticeships remained a challenge, with some sectors recovering from the pandemic more quickly than others.

Following questions from governors it was confirmed that:

- due to the banding of different apprenticeships differing programmes earned varying income amounts for the College;
- analysis was being carried out on each individual standard for apprenticeships in order to help resolve issues;
- performance of apprenticeships across the sector had decreased due to the impact of Covid and that some learners had left as they had received offers of full time work; the College was performing better than many others in the sector for apprenticeships;
- construction were on target to achieve budget. Mr Stott explained that construction income was weighted on achievement and staggered and should increase at the end of the year. A member suggested that a different chart might demonstrate this more accurately and Mr Stott undertook to review.

**Resolved: The Committee noted the current performance against KPIs for Period 8.**

**Action: Mr Stott to review the construction dashboard.**



## 10. **Funding Allocations Report 2023/24**

Mr Stott provided governors with information regarding the College's funding allocations for 2023/24. Mr Stott raised the following key points:

- the 16-18 allocation was based on complex methodology and took account of both historic and current activity levels;
- the 2023/24 16-18 allocation;
- the College's allocation would increase, in part related to T Levels. However, as a number of T Level programmes had been withdrawn by the government after allocations were issued which would reduce the value of the allocation.

Following questions from governors it was confirmed that:

- the first iterations of curriculum plans for 2023/24 had been completed and had taken into account of provision banding, Labour Market Information (LMI), progression etc. Thought had been given to the optimum numbers of 16-18 learners, whilst being able to maintain quality and appropriate resourcing etc;
- adult provision was costly in staffing and consumables and the review of apprenticeships by the DfE had recognised that some were no longer viable. Decisions were awaited on these and impact would be seen on the College's earnings through apprenticeships;
- confirmation that decline in adult numbers was a sector issue.

Governors requested an additional chart to portray historic information on learner numbers and funding allocations to allow governors to compare previous allocations to the present day. A member suggested some information in income lines now and historically would also be helpful. A member suggested that this data would also be useful for the Board.

**Resolved: The Committee noted the 2023/24 funding allocations.**

**Action: Mr Stott to include an additional chart to portray historic information on learner numbers and income streams, including funding allocations to date.**

## 11. **Environmental Reporting**

Mr Stott presented his report on Environmental Reporting, outlining that it represented initial thoughts on current environmental/sustainable project initiatives that the College was planning and undertaking. Mr Stott emphasised the need to understand the current carbon footprint of the College in order to assess and measure the way forward and develop future initiatives.

Governors discussed the points raised, noting that:

- learners were at the forefront of environmental sustainability and would help to drive it by demanding change;
- clarity was needed around the carbon emissions survey as to what should be included. It was expected that travel would be a big part of the College's carbon footprint;
- initiatives were already in place to make travel to the College more sustainable including subsidised bus passes for learners, secure cycle sheds and plans for an electricity vehicle charging point to be added to the campus;
- sustainability was likely to feature in future Ofsted inspections;
- it was important to ensure that when mapping carbon use that the College did not double count and a suggestion the bus companies might be able to provide data.

Following questions from governors, it was confirmed that:

- exploration of options to employ a third party company to carry out the initial carbon footprint analysis had commenced and it was expected that this company would also then carry out annual monitoring;
- interaction with other partners/stakeholders would be involved regarding any projects/initiatives so as to not duplicate any areas/projects;
- further information would be shared during the autumn/winter cycle of meetings, following the approval of the Estates Strategy.

**Resolved: The Committee:**

- **noted and supported development of the Environmental and Sustainability policy and strategy**
- **approved engagement with a third party to undertake a detailed carbon and emissions survey.**

**12. Any other Business**

There was no other business.

**13. Date of Next Meeting:**

The Committee noted that the next meeting would be held on 8 June 2023.

## **Preston College**

### **Redacted and abridged<sup>1</sup> Minutes of the Resources Committee Meeting held on Thursday 8 June 2023 at 5.30pm Boardroom**

#### **Present:**

|                         |                               |
|-------------------------|-------------------------------|
| Ms Joanne Jones         | Chair                         |
| Mr John Boydell         |                               |
| Mr Steve Browne         |                               |
| Ms Lisa Keegan          |                               |
| Mr Simon Nixon          | Principal and Chief Executive |
| Mr Jose Sedano-Martinez |                               |

#### **In attendance:**

|                  |                                     |
|------------------|-------------------------------------|
| Mr Mark Airey    | Head of Finance (Until Minute 14)   |
| Mrs Clare Rayner | Clerk to the Board                  |
| Mr Iain Stott    | Interim Executive Head of Resources |
| Ms Gill Thornton | Head of Human Resources             |

#### **1. Welcome and apologies**

The Chair welcomed everything to the meeting.

The Chair welcomed Mark Airey, Head of Finance, to the meeting.

There were no apologies.

It was noted that a quorum was present.

#### **2. Declarations of interest**

The Committee noted the interests of all staff in Part 2 item 16.

The Committee noted the interest of Ms Lisa Keegan, as the College's Health and Safety Officer, in Item 9 – the Health, Safety and Welfare Policy 2023/34.

#### **3. Minutes of the previous meeting held on 4 May 2023**

The Committee agreed the minutes of the meeting held on 4 May 2023 as a correct record.

**Resolved: The minutes of the meeting held on 4 May 2023 were agreed and signed as a correct approved.**

#### **4. Matters arising**

The Committee reviewed the report on the progress of actions from previous meetings.

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<sup>1</sup> Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

Mr Iain Stott, Interim Executive Head of Resources, gave a verbal report on the changes management had made to the plans to improve the changing facilities for Visual and Performance Arts students following comments at the previous meeting from members at the previous meeting who in turn had highlighted feedback from learners at the stakeholder engagement session (learners) at the Deep Dive.

In response to a query on the response of stakeholders, Mr Stott confirmed that feedback from staff and learners on the proposed plans was positive.

**Resolved: The Committee noted the report on progress of actions from previous meetings.**

## 5. **Management Accounts**

Mr Mark Airey, Head of Finance, presented the management accounts for Period 9. Mr Airey reported:

- the improved balance sheet forecast year end cash position which had increased due to recent grants received;
- the accounts forecast included the worst case scenario for staff costs which was adverse to budget for a number of reasons which were outlined in the report and in particular increased agency costs.

The Principal and Chief Executive reported that the College had recently successfully used the temporary additional spinal column points (SCP) previously approved by the Board in order to retain valuable staff.

In response to a query from a member on the College growing commercial opportunities, it was noted that management remained mindful of potential opportunities. A member suggested a suggestion box could be introduced to capture ideas. Members and management also discussed that the College was over allocation for learner numbers and this growth would sustain the College for the next two years.

In response to a query on achievement of Adult Education Budget (AEB), management:

- gave an update on enrolment progress to date;
- explained how AEB budget funding was allocated and that the additional 2.2% uplift applied to all AEB provision and the 20% Earnings Boost applied to six targeted high cost areas, announced by the Education and Skill Funding Agency (ESFA) had not been included in the forecast and therefore if the College achieved the AEB tolerance level the College surplus would be higher than budgeted;
- confirmed that the uplift was not included in the current management accounts.

In response to a query, management explained that the contracted numbers were used to develop the curriculum plan.

**Resolved: The Committee noted the College's financial position at Period 9.**

## 6. **Performance against Key Performances Indicators**

Mr Stott presented his report on progress on the College's performance against KPIs. The Committee noted the Performance against Key Performances Indicators.

**Resolved: The Committee noted the current performance against KPIs and the revised format of funding and income dashboards.**

## 7. **Funding Dashboards**

Mr Stott presented his report on funding dashboards.

A member commented that the 'funding by stream' dashboard data was inconsistent with the narrative provided by management, as HE income was green and all other areas were red. Management explained why the chart data differed from the narrative, including: impact of staggered payments - with some payments not due until June, some payments would not be received until 2023/24 and that the 2.2% uplift and 20% earnings boost from the ESFA was included in this data which is why HE was shown in green.

Members suggested it might be helpful to profile income for future years as it was difficult for the Committee to review whether or not the forecasts for each School were too ambitious. Management explained that all funding streams were profiled differently due to the complex funding arrangements of the College.

It was suggested that whilst an explanation had been given and assurance provided, it might be helpful to review how the data was presented for future years. In response to a question on whether it would be beneficial to consider presenting performance compared to profile, management explained it was a complex funding profile as all funding streams were profiled differently and some Schools might be adverse to budget on AEB which then skewed the result.

Management undertook to review the way the data was presented, in particular the surplus column bar.

**Resolved: The Committee noted the report and feedback their thoughts on the new and amended dashboards.**

**Action: Management undertook to review the way the data was presented.**

## 8. **Budget 2023/24**

Mr Airey presented the draft budget for 2023/24. He reported:

- that the College had undertaken a comprehensive business planning process, including a full review of the curriculum plan and associated staffing requirements;
- the proposed surplus (before adjustments for FRS102 pension costs);
- the overall funding agency budget had been increased;
- an update on the Adult Classroom based income budget;
- Adult classroom based activity was paid as a grant, but normally subject to year-end reconciliation with the potential for clawback of under delivery;

- other sources of College income which were detailed in the report;
- and update on the percentage of staff costs to overall College income;
- planned minor restructure to reflect changes to the curriculum particularly within the Service Industries;
- budget for the staff pay award, which would be discussed under Item 16, and the impact of the pension scheme obligations;
- continued moved towards 'good' financial health grade.

Members discussed with management:

- the move towards the benchmark of 65% staff costs to overall income;
- the impact of inflationary pressures, increasing running costs and utility costs with the likelihood of significant increases in the College's costs for electricity and gas during 2023/24.

In response to a query on budget for utilities, the Principal and Chief Executive confirmed that the College was taking advice and monitoring the energy market and due to the tight window for valid quotes, if a quote received was within the recommended budget, it might be necessary for any required governance reporting and actions to take place retrospectively in order for the price to be set and the contract agreed.

In response to a query on whether catering prices and gym prices could be increased, management provided background on why the College had taken a subsidised position for the College's catering provision. It was noted that since the College had brought the catering provision back in-house the quality issues had been resolved and the College was no longer receiving constant complaints. Members and management also discussed the importance of supporting staff and learners during the cost of living crisis but queried whether there was leeway to increase some prices. Management undertook to review the catering pricing structure and whether pricing of some products, such as non-essential or unhealthy products, could be increased.

In response to queries members noted:

- there were signs that the adult education market was picking up;
- management were considering alternative deliver models, with particular focus on construction, iSTEM and ESOL;

- there were limitations to improvements to financial health due to the College loans. However, capital was reducing year on year.

Members commended management on progress to date.

The Principal and Chief Executive outlined plans for minor staff restructuring and the rationale for this.

The Committee noted the plans and discussed with management.

The Committee agreed to recommend the budget for 2023/24 to Board for approval.

**Resolved: The Committee agreed to recommend the budget for 2023/24 to Board for approval.**

**Action: Management undertook to review the catering pricing structure.**

#### 9. **Health, Safety and Welfare Policy 2023/24**

Ms Lisa Keegan, Health and Safety Officer, referred governors to the updated Health, Safety and Welfare Policy 2023/24 and Statement of Intent.

Miss Keegan outlined the proposed changes which she explained were minor as the policy had been re-written the previous year.

The Committee agreed to recommend to the Board:

- the proposed amendments to the Health, Safety and Welfare Policy;
- the Statement of Intent.

**Resolved: The Committee reviewed the Health, Safety and Welfare Policy, including the Statement of Intent and agreed to recommend them to Board for approval.**

#### 10. **Staff Voice**

Ms Gill Thornton, Head of Human Resources, provided governors with information following the College's latest round of Staff Voice meetings. Ms Thornton reported:

- that since publication of the report the College had been re-accredited as 'Gold' for Investors in People with a number of continued improvements noted since the previous review, including embedding of staff learner voice;
- on discussions on Health and Wellbeing initiatives, including a planned health and wellbeing day for staff on 7 July 2023;
- on plans to develop a memorial garden;

- on ongoing discussions regarding vaping in College;
- the “You Said It, We did It” report at Appendix A.

A member commented on the reference in the report that there were no planned restructures. Management confirmed that this report was from the March round of Staff Meeting and had been correct at the time. However, assurance was provided that communications on restructuring would be handled sensitively.

The Committee noted the report.

**Resolved: The Committee noted the report.**

#### 11. **Trade Union Facilities Time Report**

Ms Thornton referred members to her report which outlined information regarding the annual Trade Union Facility Time Report, which needed to be published by 31 July 2023.

Following a suggestion from a member, the Committee agreed it would be helpful to include the average percentage of the employee’s time spent on trade union duties as a percentage.

The Committee noted the report and agreed to recommend it for approval by Board for publication on the Government portal and College website.

**Resolved: The Committee considered the data contained within the report and agreed to recommend it for approval by Board for publication on the Government portal and College website.**

**Action: To include the average percentage of the employee’s time spent on trade union duties as a percentage.**

#### 12. **Employment Policy Review**

Ms Thornton presented the Employment Policy Review report.

Ms Thornton outlined the proposed revisions to the Pay Principles Policy as detailed in the report to include Retention and Motivation SCPs which had been agreed by the Board as temporary measure at its meeting on 16 March 2023.

In response to queries from members, management confirmed:

- the new tier would be used in larger Schools where management had more people management responsibilities and more curriculum support;
- the new tier would only be used for teachers at present.



The Committee agreed the proposed revision to Pay Principles Policy to include Job Family Group (JFG) 2a to the Business Support Staff and Managers pay framework as set out in paragraph 10, and to include guidance for the introduction of the temporary Retention and Motivation points as Appendix Six to Pay Principles Policy as set out in Appendix A.

Ms Thornton reported that the Board had requested a review of the Hybrid Working Policy and Procedure, which had been approved by the Board on 17 March 2022, following a year in operation. Ms Thornton reported that a review of hybrid working had been completed and referred members to the summary in the report which included the responses from anonymous staff pulse surveys at Appendices B and C.

Ms Thornton proposed that occasional hybrid working should be retained in its current policy and procedure format and that requests for specified periods of hybrid were dealt with under the College's existing Flexible Working Policy and Procedure.

Ms Thornton outlined the rationale for dealing with staff requests for specific period hybrid working under the existing Flexible Working Policy and Procedure as the review had not highlighted any areas for concern regarding an on-going policy to operate hybrid working for specified periods and the change would reduce bureaucracy.

Members raised a concern that if the requests for specified periods of hybrid working were dealt with under the College's existing Flexible Working Policy and Procedure there was a risk this would change an employee's contract which would therefore reduce the current management flexibility should they required a staff member on campus.

Following discussion with management the Committee agreed to recommend to the Board that the current arrangements for staff requests for occasional hybrid working and specified hybrid working continued to be dealt with under the Hybrid Working Policy and Procedure. Members suggested ways to reduce bureaucracy, for example arrangements could be reviewed annually without the staff member being required to complete an annual application.

A member also highlighted that it appeared from the pulse surveys that some managers had encountered difficulties with managing staff who were working remotely. Management provided assurance that they would explore the concerns raised in the pulse survey and provide support where required. During the discussion with members, Ms Thornton acknowledged that whilst some managers might require further training and additional support, there could also be wider issues which needed to be addressed and these would be also explored. Members noted that a small number of staff had responded to the surveys.

Management also highlighted the importance of offering some flexible working opportunities to staff as an important recruitment and retention tool.

**Resolved: The Committee agreed to recommend that the Board approve the following:**

- **the proposed revision to Pay Principles Policy to include Job Family Group (JFG) 2a to the Business Support Staff and Managers pay framework as set out in paragraph 10, and**

to include guidance for the introduction of the temporary Retention and Motivation points as Appendix Six to Pay Principles Policy;

- following the review of the Hybrid Working arrangements requested by the Board on the first year of operation, that employee requests for occasional hybrid working and specified periods of hybrid working should continue to be dealt with under the Hybrid Working Policy and Procedure.

13. **Resources Forward Work Programme 2023/24**

The Clerk to the Board presented the Forward Work Programme 2023/24 for the Resources Committee. The Clerk reported that the dates would be added they had been approved by the Board at its next meeting.

The Committee reviewed and approved the Resources Committee Forward Work Programme 2023/24.

**Resolved: The Committee reviewed and approved the Resources Committee Forward Work Programme 2023/24.**

14. **Date of Next Meeting:**

The Committee noted that the next meeting would be confirmed at the next Board meeting.