

## **Preston College**

### **Redacted and Abridged<sup>1</sup> Minutes of the Resources Committee Meeting held on Thursday 2 May 2024 at 5.30pm Preston College Boardroom**

#### **Present:**

Mr Jose Sedano-Martinez	Acting Chair
Mr Steve Browne	(from Minute 5)
Mr John Boydell	
Mr Simon Nixon	Principal and Chief Executive

#### **In attendance:**

Mr Matthew Hirst	Director Fusion Project Management Ltd (Up to item 3)
Mrs Clare Rayner	Clerk to the Board
Mr Iain Stott	Vice Principal - Corporate Services
Ms Gill Thornton	Head of Human Resources

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

The Clerk welcomed everyone to the meeting.

The Committee noted apologies from Mrs Karen Dunmore, Vice Principal – Finance, Ms Joanne Jones and Miss Amanda Morley. It was noted that a quorum was present.

The Clerk invited nominations for Acting Chair.

The Committee agreed that Mr Sedano-Martinez should chair the meeting.

Mr Sedano-Martinez assumed the Chair.

The Acting Chair welcomed everyone to the meeting including Mr Matthew Hirst, a Director from Fusion Project Management, who would present the College's Estates Strategy.

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

The Committee noted the inherent interest of all staff in the employment policies Item 11.

#### **3. Estates Strategy**

The Acting Chair explained that the Estates Strategy item would be brought forward.

Mr Stott introduced the draft Estates strategy. He reported that, in response to feedback at previous Board and Resources Committee meetings, the draft had been revised to ensure it was curriculum led.

Mr Hirst delivered a presentation on the Estates Strategy, making reference to:

- the purpose of the Estates Strategy;

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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.

- the objectives of the Estates Strategy, in particular to support the College's wider strategic objectives;
- recent investment in the College estate and that the College's space efficiency metrics were continuing to improve;
- key issues with the College estate including the need to improve social spaces for learners and make some college buildings more efficient;
- capital investment proposals;
- preferred options if funding was made available and the benefits of these options;
- that, whilst the strategy was designed to focus on supporting capital bids, the College could not currently invest without external funding;
- consideration of key stakeholders: students, staff and employers during development of the strategy.

The Committee discussed the draft strategy with Mr Hirst and management. Members:

- acknowledged that, whilst improving the canteen and social spaces would not directly benefit teaching and learning, they were important from a learner recruitment and retention perspective and added character to the College. Members recognised it might be difficult to access governmental grants for this work and suggested it would be useful to consider other ways it could be funded;
- whilst the Board and management had considered downsizing the campus in the past, it was clear with growing learner numbers, that the space was required;
- queried whether or not it would be helpful to rank priorities as the next projects would be determined by the criteria of government funding;
- noted that delivery of some parts of the strategy were more pressing than others and would be subject to funding available. It was noted that the possibility of a change in government could cause some delays or changes in approach;
- queried changes to the College Estate to make it more energy efficient, including thermal efficiencies. Mr Stott explained that new roofs would provide some energy benefits as well as water proofing. Mr Hirst reported that a brief was provided at the start of every project on environmental initiatives which included the materials to be used and initiatives to reduce reliance on gas;
- commented that as some governors would review the draft strategy at the Board for the first time it would be helpful to summarise the qualitative and quantitative business objectives of the strategy and to provide a summary of the projected growth in learner numbers based on demographics. Management undertook to revise section 2.2. of the strategy;
- discussed the impact of projected increased in learner numbers on the strategy due to demographics and increased market share;
- discussed the classroom utilisation numbers and the need to make classroom spaces more flexible where possible;
- agreed that the new draft was realistic and achievable over the next four years;

- noted that the Executive Leadership Team (ELT) would offer a tour of the key parts of the campus before the Board meeting on 4 July 2024 which would be particularly helpful for new members. Members agreed that this would be beneficial and suggested that the tour was themed on the suggested strategy.

Subject to the amendments agreed for section 2.2, the Committee approved the strategy and agreed to recommend it to the Board for approval.

**Resolved: Subject to the amendment agreed, the Committee approved the draft Strategy and recommended it to the Board for approval.**

*Mr Hirst left the meeting.*

#### 4. **Minutes of the previous meeting held on 8 February 2024**

The Clerk referred members to Minute 12 and reported that she had corrected an error on the year of the Fees Policy which was 2024/25. With this amendment, the Committee approved the minutes of the meeting held on 8 February 2024 as a correct record.

**Resolved: The Committee noted the amendment and the minutes of the meeting held on 8 February 2024 were approved and signed as a correct record.**

#### 5. **Matters arising**

The Committee noted the report on the progress of actions from previous meetings. The Committee noted the restated gas usage report at Appendix A. Mr Stott undertook to query the decrease in gas use in November 2022.

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

**Action: Mr Stott undertook to query decrease in gas use November 2022.**

#### 6. **Environmental Reporting**

Mr Stott presented his report on Environmental Reporting. He highlighted:

- that the College's draft environmental strategy would be considered by the Committee at its next meeting;
- the College's approach to waste management, which saved energy and avoided waste going to landfill.

In response to questions, queries from members, the Committee noted:

- how the College's energy savings were calculated;
- that the College publicised its environmental initiatives in reception and on the College's website;
- the College's approach to waste minimalization, such as encouraging learners and staff to switch off lights and equipment when not in use and automated systems which switched off power overnight;
- that there were many good practice examples of College Schools reusing materials where possible;

- the College's curriculum included information on the College's environmental initiatives.

In response to a suggestion to produce waste reports by College School for comparison purposes, management outlined current challenges with collating energy efficiency reports by College School and also as some Schools used more energy than others due to the subject matter, comparison might not be helpful. However, management undertook to review if any further categorisation could be considered as environmental reporting developed.

The Committee noted the report.

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

## 7. **Funding Allocations Report**

Mr Stott presented the Funding Allocations Report. Mr Stott reported:

- the 2024/25 learner target which was considered achievable;
- the national funding rates for per learner for 2024/25 had increased by 1.9% and the College would receive a small increase of c. £90 per learner;
- that the Adult Education Budget had been renamed the Adult Skills Fund (ASF) and the introduction of a new category of funding called Tailored Learning, which was made up of previous funding cohorts; Community Learning and Adult Education Budget funded non-regulated provision. The funding rates and eligibility criteria for funding had changed and plans and documentation would be revised in response;
- the total ASF grant was split into three funding categories: Adult Skills core, Tailored Learning and Free Courses for Jobs;
- on changes to the Advanced loan bursary and loan facility;
- the impact on the College the government changes to T Level provision roll out and the ongoing uncertainty in the T Level market.

The Principal and Chief Executive responded to a query on the increase in FE pension scheme contribution and explained why comparisons to previous years were difficult.

The Principal and Chief Executive confirmed that the underlying increase to 16-18 funding allocation would be just over £1 million after deduction of the FE Teachers' Pension Scheme Employer Contribution Grant and before inflation.

The Committee noted the report.

**Resolved: The Committee noted the Funding Allocations Report.**

## 8. **Management Accounts**

The Principal and Chief Executive referred members to the Period 8 Management Accounts report. He reported that:

- at Period 8, the year end forecast surplus compared to budget;

- adult education remained a risk area as the College had not achieved the target in previous years. However, performance to date was encouraging;
- given recruitment challenges in 2022/23 the staffing budget set for 2023/24 had been prudent. However, recruitment had been less challenging than the previous year;
- exam costs would increase in line with the increase in learners;
- it was expected that the College would return to a financial health rating of Good based on the forecast year end position.

Members commented positively on the surplus forecast for 2023/24 and discussed progress towards achieving the College's income target.

The Committee noted the Period 8 Management Accounts report at Appendix A and the commentary at Appendix B.

**Resolved: The Committee noted the Period 8 Management Accounts.**

## 9. Performance Against Key Performance Indicators

The Committee noted the Performance Against Key Performance Indicators (KPIs) report at Appendix A and the funding dashboards at Appendix B.

The Committee discussed with management and noted that:

- HE income compared to budget;
- at this point in the academic year, it was encouraging that only a small number of KPIs were rated amber and one KPI rated red. The Committee noted the reasons adult apprenticeships income was rated red.

Members commented positively on the staff pay as a percentage of income ratio of 69%. The Principal and Chief Executive confirmed that 65-70% was common in the sector.

In response to a query on the underspend on the maintenance budget, as shown in the funding dashboard, management explained that this was because some maintenance work in 2023/4 had been paid for by grant funding. Members commented that it was important that the budget for maintenance was not reduced in future years, as funding pots might not be available.

The Committee noted the Performance Against KPIs report.

**Resolved: The Committee noted the Performance Against Key Performance Indicators report.**

## 10. Fees Policy

Mr Stott outlined the proposed changes to the Fees Policy 2024/25 which were shown in track changes at Appendix A and reflected the changes to funding guidance. The Committee approved the Fees Policy 2024/25 for recommendation to the Board.

**Resolved: The Committee approved the proposed change to the Fees Policy 2024/25 for recommendation to the Board.**

## 11. HR Policy Review

Ms Thornton, Head of Human Resources, presented the report on the proposed changes to the Trade Union Recognition and Agreement Procedure shown as track changes at Appendix A and the rationale for the changes.

A member suggested that paragraph 10.5 should be amended to reference that new starter data would only be shared with the recognised union with the consent of the new starter. Management agreed that this would be helpful. With this amendment, the Committee approved the proposed changes, including the proposed change to paragraph 10.5, and agreed to recommend the procedure to the Board for approval.

Ms Thornton presented the report on the proposed changes to the Trade Union Time Off and Facilities Policy shown as track changes at Appendix B and the rationale for the changes. The Committee approved the changes and agreed to recommend to the policy to the Board for approval.

Ms Thornton referred members to the proposed changes to the Paternity Policy shown as track changes at Appendix C, most of which related to changes in legislation. The Committee approved the changes and agreed to recommend the policy to the Board for approval.

Ms Thornton referred member to the proposed changes to the Special Leave Policy shown as track changes at Appendix D. The Committee approved the changes and agreed to recommend the policy to the Board for approval.

Ms Thornton referred member to the proposed changes to the Flexible Working Policy shown as track changes at Appendix E. Following a suggestion from a member, the Committee and management agreed that the phrase “because of any other personal characteristic” should be removed from paragraph 5.1 the Equality, Diversity and Inclusion (EDI) as it went beyond the law and the College’s approach to EDI. With this amendment, the Committee approved the changes and agreed to recommend the policy to the Board for approval.

Ms Thornton referred member to the proposed changes to the Hybrid Working Policy shown as track changes at Appendix F.

Ms Thornton and management responded to comments and queries from members on the proposed change on:

- whether the proposed change to involve curriculum leaders in occasional working from home requests could result in the option being over used in preference to staff submitting a longer term flexible working request;
- whether curriculum leads would feel more pressure to agree to occasional hybrid working requests than Heads of School;
- how management ensured consistency in response to requests across all parts of the College.

Management provided assurance that the risks highlighted by members would be managed, particularly as management regularly monitored requests for hybrid working to ensure consistency and to ensure that the policy was not being abused. The Committee approved the changes and agreed to recommend the policy to the Board for approval.

Following discussion, Ms Thornton also undertook to review all the EDI sections of the policies reviewed at the meeting to ensure the wording was consistent.

**Resolved: The Committee approved the following reviews of HR policies and procedures and approve for recommendation to Board:**

- a) Trade Union Recognition and Agreement Procedure;**
- b) Trade Union Time Off and Facilities Policy subject to the amendment agreed;**
- c) Paternity Policy;**
- d) Special Leave Policy;**
- e) Flexible Working Policy subject to the amendment agreed;**
- f) Hybrid Working Policy;**

**Action: Ms Thornton to revise the policies as agreed and review EDI sections of the above policies to ensure consistency.**

## **12. Staff Voice**

Ms Thornton presented the Staff Voice Report. Ms Thornton reported that discussions had been held on the themes of health and wellbeing for Staff, sustainability initiatives and other considerations. Ms Thornton referred members to the You Said We Did report, at Appendix A, which summarised management responses to staff suggestions. The Committee noted the report.

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

## **13. Procurement Strategy**

The Principal and Chief Executive and Mr Stott presented the draft Procurement Strategy which had also been considered by the Audit and Risk Committee. He reported that the draft incorporated the changes outlined in the Procurement Act 2023 which had received Royal Assent on 26 October 2023 and were expected to come into force in October 2024.

Management reported that the strategy had been drafted to include three themes: value for money/innovation, training and development and public benefit and sustainability.

A member commented on concerns raised at the Audit and Risk Committee on the wording of an action “to reserve contracts for the third sector where required by the UK Procurement Act” which not yet been amended. He was of the view that the proposed approach presented a risk that local companies could develop an expectation of being awarded contracts by the College which could decrease competitiveness and result in local companies becoming reliant on the College.

Following discussion, management agreed to amend the wording of this action to refer to engagement with local third sector.

The Acting Chair suggested that as the Procurement Strategy was detailed, it would be helpful if the cover report could be revised before the strategy was considered by the Board to better summarised the Procurement Strategy.

**Resolved: The Committee reviewed the draft Procurement Strategy and agreed to recommended it to the Board for approval, subject to the amendment to the action on proactively reserving contracts for the third sector.**

**Action: Management to amend the strategy and revise the cover report before consideration by the Board.**

**14. Capital Grants Spend Overview and Estates Update**

Mr Stott presented the Capital Grants Spend Overview and Estates Update. He reported on spend against the three capital grants awarded to the College in 2023: The Energy Efficiency Grant, Reclassification Capital Grant and Transformation Fund Grant.

A member referred to discussion with a Visual and Performing Arts (VPA) learner at a recent Board stakeholder engagement event where they had commented that they were still changing in the toilets between classes. Management confirmed that new male changing facilities for VPA had been available since October 2023, and management had spoken to the VPA Head of School about the comments made at the Deep Dive. The Head of School had confirmed that learners were aware of the new facilities, which were two floors down from the studio. However, some learners preferred to change in the toilets. A member suggested that management should discuss with learners directly to ascertain the issue, as it might be that there was not enough time between lessons to change. Management undertook to seek feedback from learners to ascertain if there were other issues relating to the new provision. However, management explained that additional provision had been provided in response to learner feedback and it would not be possible to provide changing rooms any nearer the dance studio.

The Committee noted the report.

**Resolved: The Committee noted the Capital Grants Spend Overview and Estates Update report.**

**15. Date of Next Meeting**

The Committee noted that the next meeting would be held on 13 June 2024.