

Preston College

Redacted and Abridged¹ Minutes of the Resources Committee Meeting held on Thursday 23 November 2023 at 5.30pm Preston College

Present:

Ms Joanne Jones	Chair
Mr John Boydell	
Ms Lisa Keegan	
Mr Simon Nixon	Principal and Chief Executive

Absent:

Mr Steve Browne
Mr Jose Sedano-Martinez
Mr Richard Sellars

In attendance:

Mr Mark Airey	Head of Finance
Mrs Karen Dunmore	Observer
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 Chair welcomed everyone to the meeting. The Chair welcomed Mrs Karen Dunmore who was attending the meeting in preparation for joining the College as Vice Principal – Finance in January 2024.

The Committee noted that apologies had been received from Mr Steve Browne and Mr Jose Sedano-Martinez.

The Clerk reported that Mr Richard Sellars had resigned from the Board and outlined the circumstances. The Clerk reported that Mr Sellars sent his best wishes to all at the College and reiterated his invitation to continue to engage with the College via his employer.

It was noted that a quorum was present.

2. Declarations of interest

The Committee noted the interest of Ms Lisa Keegan in Item 23 - The Health and Safety Annual Report 2022/23. It was noted that it was unnecessary for Ms Keegan to leave the meeting for discussion of this item.

3. Minutes of the previous meeting held on 5 October 2023

The Committee agreed the minutes of the meeting held on 5 October as a correct record.

¹ 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 5 October 2023 were signed as a correct record.

4. Matters arising

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

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

5. Capital Outturn 2022/23

Mr Airey, Head of Finance, presented the Capital Outturn 2022/23 report. He reported that underspend related to ongoing grant funded projects which would carry forward into 2023/24.

The Committee noted the report.

Resolved: The Committee noted the Capital Outturn 2022/23 report.

6. Performance Against Key Performance Indicators

Mr Stott, Vice Principal - Corporate Services, presented his updated report on progress on the College's performance against KPIs 2022/23. Mr Stott reported that the report had been updated with final student numbers.

In response to a query, Mr Airey explained that for operating costs actuals (P12) and forecasts were not the same as the forecasting had taken place in P10.

The Committee noted the report.

Resolved: The Committee noted the updated performance against KPIs 2022/23.

7. Management Accounts – Period 2

Mr Mark Airey, Head of Finance, referred members to the Period 2 Management Accounts report. Mr Airey reported that:

- business planning meetings had yet to take place;
- the College's for gas and electricity contracts had been renewed. Similar work was now planned on the water contract;
- further detail was included in the commentary at Appendix B.

In response to a query, Mr Airey explained that cash days to hand figure appeared inflated as it included unspent grant funding. He confirmed the underlying cash days to hand position and undertook to include the underlying cash days to hand on future reports.

The Committee discussed with management the ongoing objective to build surplus for investment.

The Committee noted the Period 2 Management Accounts report.

Resolved: The Committee noted the Period 2 Management Account report.

8. Financial Regulations

The Principal and Chief Executive referred members to the proposed changes to the Financial Regulations. He reported:

- that the majority of the changes related to the reclassification of colleges as public sector which meant that Department for Education approval was required before proceeding in some circumstances;
- on new DfE rules on provision of indemnities, guarantees and letters of comfort which were not reflected in the Financial Regulations as the College did not provide these. However, the Schedule of Delegation, previously approved by the Board, set out the limits for completeness;
- that in readiness for the new Vice Principal - Finance taking up post in January 2024, references to Executive Director Resources have been updated to reflect this new role;
- a proposed change to clarify in Appendix E (Summary of Financial Limits) that the use of Framework arrangements would be an acceptable alternative to full tendering for contracts exceeding £50k in some circumstances.

The Committee discussed the proposed change to clarify in Appendix E (Summary of Financial Limits) that the use of Framework arrangements as an alternative to a full tendering contract in some circumstances. Members discussed that the Board had agreed to use the framework for a recent project due to the time constraints. Following discussion, the Committee agreed that it would be helpful to add to the Financial Regulations specific criteria of when the framework could be used without a full tender to ensure that this facility was only used in extenuating circumstances.

The Committee agreed to recommend to the Board the other proposed changes to the Financial Regulations.

Resolved: The Committee agreed to recommend to the Board the proposed changes to the Financial Regulations, subject to the amendment agreed.

Action: The Principal and Chief Executive to include criteria for use of Financial Regulations.

9. Data Protection Policy

Mr Stott presented his report on the changes to the Data Protection Policy. He reported that this version of the policy, at Appendix A, included specific reference to posting images to social media sites.

In response to a query, Mr Stott outlined how the College addressed social media issues and confirmed that guidance was provided to learners at induction, during tutorials and in the Student Handbook and Student Disciplinary Policy.

Mrs Dunmore highlighted references to the Interim Executive Director of Resources. Mr Stott undertook to update these references before the policy was considered by the Board.

The Committee noted the proposed changes to the Data Protection Policy.

Resolved: The Committee agree to recommend to the Board the approval of the Data Protection Policy.

10. Employment Policy Review

Ms Thornton, Head of Human Resources, presented her report on the proposed changes to the Disciplinary Policy, at Appendix A and Disciplinary Procedure at Appendix B. She reported:

- that whilst most procedures were approved by Executive leadership Team, the Disciplinary Policy was one of the procedures to be considered by Resources committee and approved by the Board due to conflicts of interest;
- the use of the Disciplinary Policy and Procedure since it was last reviewed by the Committee, with 11 uses during 2021/22 and three uses during 2022/23. She confirmed that the outcomes were more likely to be additional training or a warning rather than dismissal;
- proposed amendments were shown in track changes at Appendix A and B.

In response to a query, management updated the board on the relationships with unions.

The Committee agreed to recommend the proposed amendments to the Disciplinary Policy and Procedure to the Board for approval.

Resolved: The Committee agreed to recommend the proposed amendments to the Disciplinary Policy and Procedure to the Board for approval.

11. **Annual Report and Financial Statements**

Mr Airey presented the draft Annual Report and Financial Statement. Mr Airey reported that the draft was largely complete with the auditors completing their work, particularly in relation to the funding assurance aspect of their testing and no significant issues were anticipated.

The Clerk reported that a paragraph would be added to the Statement of Corporate Governance and Internal Control to confirm that the College had reviewed its policies, procedures and approval processes in line with DfE requirements in relation to reclassification of colleges as public sector and ensured there were systems in place to identify and handle any transactions which required DfE approval.

The Committee noted that the Audit and Risk Committee had considered the report at its meeting on 22 November 2023. The Principal and Chief Executive referred to discussions at the Audit and Risk Committee meeting on the rationale for not including pensions as an asset when the scheme was in surplus as the College could not and would not access the funds. He confirmed that this was the approach across the sector.

In response to queries from members the Committee noted:

- that College management had a good working relationship with Beever and Struthers and this was their second year of auditing the College;
- Beever and Struthers had completed audited funding and a separate funding audit on behalf of ESFA had also taken place;
- that during 2022/23 the College had undergone an Ofsted inspection, a funding audit and the usual year end audit.

Mr Airey confirmed that paragraph references would be updated in the final version.

The Committee approved the draft financial statements for 2022/23 and agreed to recommend to the Board that they should be formally adopted.

The Committee recorded thanks to the finance team for their work during 2022/23.

Resolved: The Committee approved the financial statements for 2022/23 and agreed to recommend to the Board formal adoption by the Board at its meeting on 14 December 2023.

12. **Health and Safety Annual Report 2022/23**

Mr Stott and Miss Keegan presented the Health and Safety Annual Report 2022/23. They reported:

- that the total number of incident report forms received decreased from 373 to 316;
- that there had been one Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) reportable incident during the academic year 2022/23 which was down from 8 in 2021/22. However, one incident in 2021/22 had resulted in a number of RIDDOR reports that year;
- that there had been an increase in the number of 'near misses' reported from 7 to 15 as a result of highlighting to staff the importance of reporting near miss incidents and introducing a QR code to make it easier for staff to report near misses.

In a response to a query on lessons learnt from incidents and follow up activity, management confirmed that staff training was provided at induction and through Continuing Professional Development to highlight the importance of health and safety and close supervision of learnings, particularly in the workshops.

Management and members discussed the importance of a good health and safety culture.

The Committee noted the report.

Resolved: The Committee noted the Health and Safety Annual Report 2023/24.

13. **Reinforced Autoclaved Aerated Concrete Report**

Mr Stott presented the Reinforced Autoclaved Aerated Concrete (Raac) Report. He reported that:

- Inscope Project Consultants had conducted an independent inspection and there was no evidence of Raac at the College;
- as referenced in the report other areas of concern had been highlighted by the consultants and work was ongoing to rectify the highlighted areas;

- that the repairs would be funding by transformation grants.

In response to a query on whether any of the issues required urgent attention, Mr Stott confirmed that the work on lintels would be prioritised.

The Committee noted the report.

Resolved: The Committee noted the Reinforced Autoclaved Aerated Concrete report.

14. **People Strategy Action Plan 2022/23 Review and Strategic Deliverables 2023/24**

Ms Thornton presented her People Strategy Action Plan 2022/23 Review and Strategic Deliverables 2023/24. Ms Thornton reported:

- that 2023/24 had been a challenging year for HR due to a number of staff vacancies in the team and staff on maternity leave and this had impact on reporting to the Committee on progress against the People Strategy Action Plan 2022/23;
 - that of the 15 activities, six had been completed, five have almost been completed; four were deferred and three had elements of the activities deferred;
 - on the successful digitalisation of HR processes during 2022/23;
 - that the College had achieved Gold Investors in People (IiP) accreditation during 2022/23 with some areas demonstrating improvement from the previous assessment;
 - that the three year strategic plan contained an aspiration to achieve Platinum status by 2026. However IiP had highlighted some challenges for public sector bodies to achieve this due to the approach to pay;
 - that the Staff Voice programme continued to be successful and it was evident that many staff were proud of their long service and career progression at the College;
- on the rationale for not issuing a staff survey during 2022/23 as staff had responded to surveys from Ofsted and IiP.
- that good feedback had also been provided from IiP but again the survey responses could not be shared;
 - that given the high return rates for the Ofsted and IiP surveys, it was unclear why the College's staff survey return rate was not higher and management would continue to explore this when the next staff survey was issued. Based on previous feedback on staff, management did not think this indicated a lack of trust or concern from staff. Members and management discussed different approaches to encourage staff to complete the questionnaire including scheduling time at staff development days for completion;
 - on the People Strategy Deliverables 2023/24;
 - on the five key themes for 2023/ 24 would be: Pay and reward, employee engagement and wellbeing (including a workload strategy, flexible workforce including succession planning, staff development and KPIs and compliance with statutory HR data returns;

- on consultation plans for the People Strategy for 2024 to 2026, which would be developed during 2023/24, and would be reviewed by the Committee and the Board as part of its forward work programme.

In response to queries from members, Ms Thornton reported:

- that some parts of the People Strategy had been deferred due to staff resourcing during 2022/23 with senior HR staff being particularly challenging to recruit;
- the HR team was now fully staffed.

The Principal and Chief Executive commented positively on the calibre of the current HR team which included a number of staff with great potential to progress.

The Committee noted the report.

Resolved: The Committee noted the People Strategy Action Plan 2022/23 Review and Strategic Deliverables 2023/24

15. **Pay Award Update and Foundation Living Wage**

Ms Thornton presented her Pay Award Update and Foundation Living Wage report. Ms Thornton reported on the proposed staff pay offer which had been approved by the Board on 19 October 2023 and the response of the unions. Ms Thornton reported that the pay increase would start being paid to staff at the end of November 2023 and would be backdated to August 2023.

Ms Thornton outlined the proposed tapered increase at the bottom of the College's Harmonised Pay Spine to maintain pay differentials from 1 April 2024, when the new Foundation Living Wage (FLW) was implemented.

The Committee noted the report and agreed to recommend to the Board the proposed tapered increases to maintain pay differentials following the publication of the FLW.

Resolved: The Committee noted the trade union agreement to the pay offer it recommended to Board and agreed to recommend to Board for approval for local pay negotiation, the proposed tapered changes to the bottom of the pay spine, i.e. SCP9 – 14 contained in table 1, to maintain pay differentials following the announcement of the new FLW rate of pay from 1 April 2024.

16. **Procurement Strategy**

Mr Stott presented the Procurement Strategy report. He reported that:

- the report had been produced by Mr Steve Eaves, Senior Procurement Officer, to outline the rationale for delaying the development of the College's procurement strategy pending external legislation, which would come into effect over the next 12 months following the passing of the Procurement Act 2023 on 26 October 2023;
- the report had also been considered by the Audit and Risk Committee at its meeting on 22 November 2023 as production of a procurement strategy was a

management action from an internal audit on the College's procurement processes;

- the College was compliant with Procurement law.

The Committee noted the report.

Resolved: The Committee noted the Procurement Strategy report.

17. **Date of Next Meeting:**

The Committee noted that the next meeting would be held on 8 February 2024.