

MINUTES OF THE POLICY AND RESOURCES COMMITTEE
HELD ON MONDAY 26 SEPTEMBER 2022

PRESENT:

Paul Levet	Chair
Dr Fazal Dad	Principal and Chief Executive
Paul Morris	Member
Michael Lee	Member
Arif Patel	Member

IN ATTENDANCE:

Nicola Clayton	Director: Business Development and External Engagement
Jennifer Eastham	Vice Principal: Finance and Corporate Services
Rachel Tarplee	Assistant Principal: Teaching and Learning (Academic Centre)
Jean Tracy	Clerk to the Corporation (Observer)
Sarah Horeesorun	Director of Governance

Sarah Horeesorun was welcomed to the meeting in her new role as Director of Governance and the Chair and Committee thanked Jean Tracy for her wonderful support and efficiency.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received in advance from Steve Waggott.

2. DECLARATION OF CONFLICTS OF INTEREST

The Chair advised those in attendance that should members of the Policy and Resources Committee become aware of any potential conflicts of interest, they should be disclosed at the earliest opportunity during the meeting.

3. MINUTES OF THE POLICY AND RESOURCES COMMITTEE MEETING HELD ON MONDAY 20 JUNE 2022

The Committee **APPROVED** the minutes of the Policy and Resources Committee meeting held on Monday 20 June 2022 as a true and accurate record, and these were duly signed by the Chair.

4. MATTERS ARISING

The Committee noted the updates on the actions from the previous meetings, as included in the agenda document. There were no other matters arising.

5. CAPITAL ALLOCATIONS 2022/23

The Vice Principal: Finance and Corporate Services presented the Report and explained to the Committee that capital expenditure for 2021/22 was set at £2,500k, but that the actual spend

was £1,755k. This was because a number of the projects agreed and started in 2021/22 would not complete until 2022/23, and this had resulted in an underspend of £750k capital budget in 2021/22.

Permission was sought from the Committee to carry forward the underspent capital budget of £750K from 2021/22 to 2022/23 to fund the final completion of these projects and delivery of the wi-fi still to be installed.

The budget for 2022/23 would be the same as for 2021/22, £2,500k, and included planned expenditure for buildings and equipment to support the student experience. Some requests for capital expenditure had already been met as there was capacity in last year's agreed budget. However, requests for major projects, listed in the Report, were still under consideration.

The Principal and Chief Executive highlighted the need for significant investment in I.T. to support hybrid working, improve the working environment and practices, and for the College to be at the forefront of developments rather than behind the times.

A member of the Committee enquired if the College had a long-term maintenance schedule for replacement of 'big ticket' items, for example servers or boilers. The Vice-Principal: Finance and Corporate Services reassured members that maintenance and replacements of such items was identified and the spend forecasted and included in the College plans and budgets.

The Committee were informed that any projects that are grant funded are over and above the College funded capital budget of £2.5m. Members noted that capital budget may need to be revisited once the payment profile for the Victoria Building project was known. The Vice Principal: Finance and Corporate Services informed members that they would receive regular updates and approval would be sought on spend for larger projects.

The Committee **APPROVED:**

- carry forward of the £750k unspent capital budget from 2021/22 to 2022/23
- spend of the capital allocation of £2.5m for equipment and minor building works.

6. TUITION FEE POLICIES

The Vice Principal: Finance and Corporate Services presented Reports on the:

- i) FE and HE Tuition Fees policy relating to Further Education (FE) and Higher Education (HE) for 2023/24.**
- ii) College Funded Bursary and Scholarships Policy 2023/24**
- iii) HE Tuition Fees 2024/25**

i) FE and HE Tuition Fees policy relating to Further Education (FE) and Higher Education (HE) for 2023/24.

Members noted that there were minor changes to the existing policy document itself, in terms of processes, and that the methodology for setting the FE Tuition fees would remain the same, unless deemed uncompetitive or detrimental to recruitment numbers.

ii) College Funded Bursary and Scholarships Policy 2023/24

There were no changes to the FE Scholarships and members supported the proposed:

- a) reduction of the attendance rate from 90% to 80% for the HE Attendance bursary
- b) end to the Access to Success Fund, with the funds that would have been used for this benefitting the increased number of students eligible for the Attendance bursary.

iii) HE Tuition Fees 2024/25

The HE fees for September 2023 entry had been agreed two years in advance as usual, and increases had been agreed on PGCE full time and part times routes. The fees for full time

degrees 2023/24 remained the same at £8,250. The Report proposed an increase to the HE Tuition Fees for 2024/25.

In discussions, members explored the HE tuition fees in terms of benchmarking against other institutions, supply and demand and the challenges of meeting the needs of the local community at a time when there was a cost-of-living crisis. Members discussed a marginal increase for full time degrees 2023/24 in-line with other local institutions.

The Committee discussed the proposal made by the Chair of the Committee to increase the fees to £8750.

Action: Vice Principal: Finance and Corporate Services

After discussion, and under its Terms of Reference and Scheme of Delegation, the Committee;

- i) **APPROVED** the FE and HE Tuition Fees Policy for 2023/24
- ii) **APPROVED** the College Funded Bursary and Scholarships Policy for 2023/24
- iii) **AGREED** in principal to an increase in HE Tuition fees for HE 2023/24 to £8,750.

7. SUBCONTRACTING ARRANGEMENTS FOR 2022/23

The Director: Business Development and Employer Engagement updated the committee on the current position on subcontracting activities. The Report set out the rationale and explained the complexities in ensuring value for money and quality education delivery, through close collaboration and monitoring of subcontracted provision.

The College acknowledged the huge responsibility to protect its reputation and the public purse and had worked with RSM on an audit of the subcontracting arrangements to provide the necessary assurance to the ESFA. This subcontracting approval process had now been signed off by the ESFA and the Corporation, and the College was working through the course detail with sub-contracted out providers.

The College had one remaining subcontract in which was due to complete in 2024. No new learners had been recruited to this contract and it was deemed to be in a 'teach-out'.

A member enquired about under recruitment to the subcontracted course. The Director: Business Development and Employer Engagement confirmed that 35 students had been recruited, but that there was provision for 55, and that this would be discussed at the next provider meeting when delivery of high-quality provision was also on the agenda.

The Committee **APPROVED** the Subcontracting Arrangements for 2022/23 as per the Report.

8. GOVERNORS' EXPENSES POLICY 2022/23 AND ANNUAL REPORT 2021/22

The Committee noted that the Governors' Expenses Policy, at Appendix 2, had not changed from the version approved last year and that the expenses paid in 2021/22 at Appendix 1, were for travel and training attended by either the Governors or the Clerk.

The Committee **AGREED** to recommend to the Board for approval the:

- Governors' Expenses Policy for 2022/23
- Governors' expenses claimed in 2021/22.

9. CAPITAL PROJECTS IMPACT vs. INVESTMENT

The Vice Principal: Finance and Corporate Services introduced the Report and provided the Committee with an update on the impact of the capital projects completed within the past year, as requested at its meeting in May 2022.

There had been a notable increase in the popularity of the social spaces, and though the increased usage was easy to see and quantify, it was acknowledged that the impact on users/students' feelings about the environment was harder to measure. The Committee were pleased to learn that improvements to the unused/unattractive spaces was benefiting the students by making the spaces more useful and attractive environments to learn in and engage with.

It was remarked that staff and others could see and feel that the more vibrant surroundings had stimulated a pride in the College environment and inspired the College to think differently about how it best employed unused spaces.

Refurbishment of the Hair and Barbering Salons had created industry-standard training facilities and differentiated Blackburn College from its competitors. It was felt that improvements and enhancements in the student experience/environment benefitted the students now and would help make the College a modern and impressive prospect for potential students and their families.

Members agreed that investment in the College environment and enhancing the College Community, benefitted everyone and sat alongside the quality learning delivered through first-class resources.

Members thought it worthwhile to explore further the use of social media platforms to promote the first-rate facilities and College, and were keen that this be a priority for the new Director of Marketing and Communications.

The Committee commended the improvements and suggested that there might be some way to capture the 'softer' impact and obtain more qualitative feedback through a survey of, for example, the new Library and asking students whether it met their needs.

Action: Vice Principal: Finance and Corporate Services

The Committee noted the update provided in the Report.

10. STUDENT RECRUITMENT UPDATE 2022/23

The Vice Principal: Finance and Corporate Services presented a Report on the College's current recruitment of students against target. The targets set as part of Business Planning were realistic based on last year's recruitment. The figures were correct at the time the report was produced, but as enrolment was continuing, the numbers changed daily and the Vice Principal: Finance and Corporate Services updated members on the very latest figures (26 September). It was noted that 16-19 recruitment was on-track, 19+ was close to meeting the target and HE was an area of particular concern. Information on Commercial would be brought to the next meeting.

In discussion, members were content that Apprenticeships targets would be met, but were concerned that there was a potential shortfall in HE and the impact of this on income. The Committee explored the potential reasons for this and discussed if this was a local or more general issue in the marketplace with reducing numbers of HE students and changes in courses offered. A member suggested that it may be worth pursuing a Centre of Excellence status to attract HE students, focus delivery on a narrow spectrum of high-quality courses and establish a credible reputation as a specialist.

The Committee **AGREED** that this topic needed to be discussed with the full Board and that a Report should come to the December Board meeting setting out the:

- position

- direction and plan for September 2023
- financial forecasting and data

Action: Vice Principal: Curriculum, Quality and Principalship

11. MANAGEMENT ACCOUNTS TO 31 JULY 2022, PRE-FINALISATION

The Report updated the Committee on the position as at 31 July 2022- pre-finalisation. The Policy and Resources Committee, under its Terms of Reference and Scheme of Delegation, are required to make a recommendation on the 'effective and efficient use of resources, solvency and safeguarding assets' to the Board who 'approve annual estimates of income and expenditure'.

The Vice Principal: Finance and Corporate Affairs explained that, until finalised, the Board would continue to receive the 2021/22 Management Accounts in between formal meetings by email.

The accounts presented at the meeting were 'pre-finalisation' at that stage and the Finance team would finalise them in preparation for the Financial Statements Audit week commencing 17 October 2022. The Committee noted the narrative and current position.

Updates to the financial position and reasons for any changes to the information presented in the pre-finalisation position would be communicated at the next Policy and Resources Committee meeting in November.

The Committee **AGREED** recommendation of this report to the Board for approval.

12. CONSIDERATION OF GOING CONCERN

The Committee considered the current 'going concern' situation of the College in line with the fundamental accounting concept in the preparation of the Financial Statements.

To comply with the Committee's Terms of Reference and under the Scheme of Delegation, the members were satisfied, given the information received, that it was reasonable to prepare the College's financial statements on a 'going concern' basis.

The Vice Principal: Finance and Corporate Services confirmed that there are no material uncertainties leading to significant doubt about the College being a going concern. 'Going concern' would be assumed whilst preparing the financial statements and a statement included therein to this effect.

The Committee **AGREED** recommendation of this report to the Board for approval.

13. COLLEGE KEY PERFORMANCE INDICATORS (KPIs) 2021/22, 2022/23

The Committee was reminded that the key performance indicators (KPIs) underpin and feed into the Strategic Plan and that part of the remit of the Policy and Resources Committee was to monitor the College's position against the KPIs.

- i. **College Key Performance Indicators 2021/22:** The report listed the KPIs, together with actuals from previous years, the targets for 2021/22 and the results so far (pre-finalisation).
- ii. **College Key Performance Indicators 2022/23:** The KPIs are reviewed annually, with KPIs added and removed to ensure that they remain fit for purpose. The Report included the proposed KPIs for 2022/23 which would be monitored by the Committee. It was noted that a number of the KPIs were informed by the budget, which had already been approved. The report also indicated those KPIs which it was proposed would be removed.

A member questioned the increase in staff turnover and absences for 2021/22. The Vice Principal: Finance and Corporate Services explained that some staff had moved and progressed to 'better' positions. This was good for them professionally and reflected well on the College which had nurtured their talent, invested in their development and was proud of the accomplishment. This paved the way for new talent in College and could only be a good outcome for all.

It was noted that the staff absence figure was distorted by Covid, and once removed, the actual staff absence figure was a little over where College would ideally like it to be. Individuals were receiving support to find appropriate solutions.

The Committee:

- i) noted the progress towards the College Key Performance Indicators for 2021/22.
- ii) **APPROVED** the College Key Performance Indicators which would be monitored by the Committee for 2022/23.
- iii) The full list of KPIs would be submitted for approval to the Board at their meeting on 14 October.

14. STRATEGIC PLAN – ANNUAL OPERATING STATEMENT

The Vice Principal: Finance and Corporate Services presented a Report to support this item and reminded members that the Corporation Board approved the Strategic Plan 2019-2022 on 5 July 2019.

The Strategic Plan included a series of measures and targets, some of which were included in the College KPIs and others separately. The Report gave the penultimate update for 2021/22 with final outcomes being available once all of the student results were completed, plus targets for 2022/23 established. The Report highlighted the targets not achieved over the duration of the Strategic Plan 2019-2022.

The new Strategic Plan 2022-25 had been approved and a new Operating Statement with actions and targets included as an Annex to the Report.

Members discussed the penultimate update for 2021/22 and the proposed targets and actions for 2022/23.

15. HEALTH AND SAFETY ANNUAL REPORT 2021/22

The Committee received the annual report in line with its role to monitor Health and Safety (H&S) within the College and receive an annual report.

The Report provided the Committee with information on the key health and safety activities during 2021/22, legislative changes and key health and safety risks. The full Report was attached at Annex One.

In summary, overall incidents within the year had increased from 62 to 78, though the Committee noted that the College was closed for several months in 2020/21 due to Covid restrictions.

The Committee noted that:

- There were no RIDDOR incidents
- a H&S Compliance Inspection had been completed by an external consultant
- a New Health, Safety and Environment Manager had been appointed

A member of the Committee asked for more information about the current status of the non-conformances and open observations raised in the RSM Internal Audit. The Vice Principal: Finance and Corporate Services explained that these had come about from a Health and Safety inspection completed during the absence of a Health and Safety lead. The Committee was satisfied that the new Health, Safety and Environment Manager now in post would act on the outstanding observations.

A Committee member asked for clarification on the use of the word *assault. The Vice Principal: Finance and Corporate Services explained that the use of this word did not always mean that a physical attack had taken place and that it could include accidental or unintentional occurrences, for example two people clashed heads when standing up quickly. She confirmed that there were no concerns for the College.

The Committee noted the Report and that it would be presented to the Board at its meeting in October.

*As a post meeting update, the Report that went to the October Board provided definition between actual assaults and injuries by third party, or unintentional injuries.

16. HUMAN RESOURCES ANNUAL REPORT 2021/22

The Report provided core Human Resources (HR) data for the period 1 August 2021- 31 July 2022.

Having reviewed the Report, a member queried the differing disability figures in the body of the Report (paragraph 2.4) and in the Appendix (paragraph 3.1a). The Vice Principal: Finance and Corporate Services explained that this was an error and it should be 8.59% as per the Appendix. This would be corrected.

Action: Vice Principal: Finance and Corporate Services

A Committee member also requested that more detailed information be provided on the reasons for staff resignations.

Action: Vice Principal: Finance and Corporate Services

A member commented on the staff turnover. The Principal and Chief Executive reflected on KPI discussion of this (Item 13) and re-iterated that he/the College was proud to develop future leaders and harness their skills for the good of the College.

The Committee noted the report.

17. ORGANISATIONAL DEVELOPMENT ANNUAL REPORT 2021/22

The Report, supplemented by additional detail, summarised the Organisational Development activities for the period 1 August 2021 - 31 July 2022.

Highlights included:

- Staff satisfaction with Staff development was 99% at the end of July.
- Mandatory training completed across the College was 99% at the end of the academic year.
- Significant staff development activity directly contributed the College's Ofsted grade 2.

The Principal and Chief Executive informed the Committee that Ofsted had commented that developmental activity was a strength at the College. The Committee was pleased to hear that investment in staff well-being, welfare and mental health was a priority and agreed that it was important to maintain staff morale and attendance.

The Committee said that this was a good Report and congratulated the College on its improvements.

18. MODERN SLAVERY ACT

To ensure continued compliance with the Modern Slavery Act, the Committee considered the Board statement to be published on the College website.

The Committee **AGREED** to recommend the statement to the Board for approval and the continued adoption by the College.

19. VALUE FOR MONEY REPORT 2021/22 AND PRIORITIES FOR 2022/23

The Report outlined the purchasing activities for 2021/22 and provided the priorities and objectives for cross-College procurement for 2022/23. The Report was produced on an annual basis to update Governors on the progress and plans for delivery of Value for Money.

The Committee noted the Report.

20. NET ZERO CARBON - UPDATE

The report highlighted progress towards the Government's Net Carbon Zero targets.

A new and experienced Health, Safety and Environment Manager was now in post to lead on this project, and the College was recruiting an Energy Reduction and Sustainability Officer to support the College in following the 31- step FE Climate Change Road Map.

An update regarding the priorities and progress was included in Appendix 1.

Members noted the content of the Report.

21. SCHEME OF DELEGATION

The Director of Governance updated the Committee on the changes to the Scheme of Delegation.

The Committee was reminded that an exercise to review the Terms of Reference for each Committee was completed annually. This had implications for the Scheme of Delegation and these were detailed in the report. Some were minor changes, such as amends to a job title, others more significant, for example, the inclusion of the delegated authority from the Board to the Audit Committee to approve the Financial Statements' Auditors Annual Plan.

The Committee noted the changes and **AGREED** to recommend the changes to the Schemes of Delegation to the Board for approval.

22. OVERSEAS VISITS ANNUAL REPORT 2021/22

The Report on the Overseas Visits for 2021/22 for Staff, Students and Governors was for information.

The Committee noted that there had been:

- No overseas business trips by any staff
- No trips funded through the Research and Scholarships Committee/Staff Development
- No educational visits to an overseas destination.

23. FREEDOM OF INFORMATION REQUESTS 2021/22

The Report was for information and provided members with analysis on the volumes and types of Freedom of Information Requests received in 2021 and 2022 to date.

The Committee noted the Report.

24. ANY OTHER BUSINESS

There were no items of any other business.

25. REVIEW OF MEETING

The Chair thanked Committee members for their contribution and discussions. He offered particular thanks to the Vice Principal: Finance and Corporate Services.

26. DATE AND TIME OF NEXT POLICY AND RESOURCES COMMITTEE MEETING

Tuesday 22 November 2022 at 5.00pm.

The Committee then considered the Part II agenda items – minutes recorded below.

Signed:
Date:

