

OLDHAM COLLEGE

RESOURCES COMMITTEE

Minutes of the meeting held on Tuesday 3 October 2017

Present:	Members:	Tim Mitchell	Governor (Chair)
		Kashif Ashraf	Governor
		Graham Fleming	Associate Member
		Alun Francis	Governor (Principal)
		Laura Smart	Governor
	Officers:	Janet Frost	Clerk to the Corporation
		Rebecca Johnson	Asst. Director of Finance
		Allan Tyrer	Interim Director of Finance
		Debra Woodruff	Deputy Principal
	Apologies:	Riaz Ahmad	Governor

1/17 **Election of Chair and Vice Chair**

The Clerk opened the meeting and reported that a recommendation of the FE Commissioner following his recent visit to the College, had been to implement more distribution of responsibilities and accountabilities across the governors. It was therefore proposed, that a governor, other than the Chair of the Corporation take on the roll as the Chair of the Resources Committee. Riaz Ahmad had therefore nominated himself to Chair the Committee for 2017/18 should there be no further nominations and had requested that he takes up this position from the November meeting due to him being unable to attend the current meeting. The Clerk advised that no further nominations had been received and therefore Kashif Ashraf seconded the nomination.

There being no other nominations it was **RESOLVED** that Riaz Ahmed be elected as Chair of the Committee from 28 November 2017 for the remainder of the 2017/18 academic year.

Election of Vice Chair

The Chair asked for nominations for Vice Chair for 2017/18 and Laura Smart agreed to continue in this role. This was seconded by Kashif Ashraf.

There being no other nominations it was **RESOLVED** that Laura Smart be elected as Vice Chair for the academic year 2017/2018.

2/17 **Apologies for Absence**

An apology for absence had been received from Riaz Ahmad.

3/17 **Declaration of Conflicts of Interest**

There were declarations of interest reported.

4/17 **Permission for Officers of the Organisation to be Present**

Permission was given for officers to remain in the meeting

5/17 **Minutes of the Previous Meeting held 4 July 2017.**

The minutes of the previous meeting held 4 July 2017 had been circulated to members prior to the meeting for their consideration.

It was **RESOLVED** that the minutes of the meeting be approved and signed by the Chair as a correct record of the meeting.

6/17 **Matters arising from the minutes of the previous meeting**

There were no matters arising.

7/17 **Rolling Action List Update**

i. 21 March 2017 Min 47/16.1 – Financial Recovery Plan

The Corporation Task Group be convened as early as possible to interrogate the financial data in more detail.

It was **RESOLVED** that this action was complete.

ii. 4 July 2017 Min 59/16.2 - Pay award 2016/17

The recommendation for no general pay award this academic year 2016/17 to be reported to the Full Corporation for approval.

It was **RESOLVED** that this action was complete

iii. 4 July 2017 Min 68/16 – Scheme of Delegation

The Scheme of Delegation be updated to include reference to the Principal’s responsibility for ensuring quality is achieved and presented to the next Full Corporation for approval.

It was **RESOLVED** that this action was complete.

iv. 4 July 2017 - Vocational Scholarships

A report be presented to the next Resources Committee on the viability and delivery of a vocational scholarship.

It was **RESOLVED** that this action be passed to the C&Q Committee for action.

v. 4 July 2017 - Financial Plan 2016-19 incorporating Management Accounts to May 2017 and Budget 2017/18

i. Management accounts up to May 2017 to be presented to Full Corporation on 11 July 2017

ii. Draft Recovery Plan 2016-19 and budget for 2017/18 be presented to the Full Corporation on 11 July 2017

It was **RESOLVED** that this action was complete.

v. 4 July 2017 Min 62/16 - UCO Fees 2017/18

The revised Higher Education Fees 2017/18 and 2018/19 Policy be recommended for approval to the Full Corporation at its 11 July 2017 meeting.

It was **RESOLVED** that this action was complete.

vi. 4 July 2017 Min 63/16 - UCO Access Agreement 2018/19

The UCO Access Agreement 2018/19 be recommended for approval to the Full Corporation at its July meeting.

It was **RESOLVED** that this action was complete.

vii. 4 July 2017 Min 65/16 - Draft Estates Strategy

The masterplan to be presented to the Resources Committee in October 2017 to allow members to consider in more detail.

It was **RESOLVED** that this action was complete.

viii. 4 July 2017 Min - Workplan 2017/18 and TOR

To be presented to the Full Corporation at its July meeting for approval.

It was **RESOLVED** that this action was complete.

Principal's Report (Item 8)

A copy of the Principal's Report had previously been circulated to members for their consideration. The Principal guided members through the report noting that the College is in a period of development where it has to balance the pressure to grow numbers, increase income, whilst improving quality. Key discussion points included:-

(i) FE Commissioner

The Principal reported that since the first visit in January the College had made excellent progress and was moving in the right direction for both quality and finances. The FEC had supported the College at its August meeting of the prospect of remaining a standalone college subject to continuing improvement in the financial position and quality. At the proposed October visit (19th and 20th) the College would need to demonstrate that it was moving to a genuinely sustainable position.

A member probed as to how the efficiencies going forward would be achieved when large savings had already been made and the Principal advised that the reporting structures at all levels of the organisation were in place that provided accurate reporting and made staff more accountable. This model was proving successful. However, he added that whilst the College had to continue to be efficient it also had to continue to improve, making sure that the level of teaching and learning improves at the same pace or faster.

A discussion took place regarding variability across faculties and a member asked what was being done to improve this position and how SLT were monitoring progress. The Principal advised that the CPD programme was proving effective but in some departments, particularly those that are not doing as well, there is a need to do more e.g. Construction and maths. This will be at a cost to the College but it was noted the money had been identified in the budget. The Principal reported that the FEC was supportive of investment in areas of the college, however this must be aligned with the areas of priority to ensure the eradication of any poor performing areas. Members, stating that the focus must be on the grade 4 areas with no distractions, supported this.

The Principal provided an update on the position with the UTC reporting that it would be summer 2019 at the earliest if the College were to have access to the building.

(ii) College Improvement Partner

The Principal reported that although the summer results were not finalised they showed a second year of steady improvement.

The numbers enrolling to date were reported as positive but there were a higher number of 'at risk' students compared to 2015/16. Processes were being put in place to make sure the students were being placed on the right course with the required support.

The focus remains on the quality of teaching and learning as this will be the most important factor at the next inspection. A member requested clarity on the CPD approach and the difference from the 2015/16 model and particularly how this would result in improvement in teaching and assessment. It was noted that the Teaching for Distinction programme was being delivered to all staff and work is ongoing to embed this in new behaviours and practices through added CPD in weekly Faculty meetings.

(iii) Skills Capital Round

The Principal provided members with a report detailing the areas of the college that are in need of urgent repair and those curriculum areas that require investment in kit and equipment.

He advised that the Skills Capital bidding round is open in October with a second round in the New Year. As the funding runs to 2020 it is important that a credible bid is put forward. He outlined the bidding criteria noting that the College would not be putting in matched funding. Members discussed the criteria and reinforced the need to focus on underperforming areas of the college and focus on centres of excellence for ESOL and English and maths.

It was **RESOLVED** that members noted the content of the report.

CQ/CC

9/17

Management Accounts for July 2017 (Item 9)

A report detailing the draft management accounts for 2016/2017 had been prepared by the Director of Finance and previously circulated to members for consideration.

The Director of Finance advised that the external auditor, Grant Thornton, had recently audited the accounts and no major changes had been identified. He provided a clarity on EBITDA and the pension adjustments, noting that the operational surplus before FRS 103 and depreciation on revalued assets was £558k and that the end of year overdraft position was reported as slightly lower than anticipated. He continued and was pleased to report that the College's financial health status had returned to satisfactory.

The Principal reported that the loan facility with the council had been put on hold noting that the rationale for such a loan had to be for the right reason and there was a risk that it may be a disincentive to drive out efficiencies. In discussion, a member probed as to what the right reason may be, and it was agreed that the reason would need to be conveyed to members in detail so they could make an informed decision if this was a route to consider at any point in the future.

The Chair noted the FE Commissioner benchmarks presented in Item 10 and the projection to improve by July 2019 and asked for an explanation on each of the targets. The Director of Finance explained the actions that had or would be put in place to get the targets to green. The exception was the number of cash days in hand which was projected as improving to amber as at July 2019.

The Chair asked that an update on the FE Commissioner benchmarks be reported at the next meeting.

The Chair concluded that the year-end predicted level of improvement had been achieved and the financial position had slightly exceeded expectations.

It was **RESOLVED** that:-

- (i) members recommended the draft Financial Statements for the year ended 31 July 2017 to be presented to the Full Corporation at its October 2017 meeting,
- (ii) noted the final accounts will be presented to the November Resources Committee and to the Corporation for approval at its December 2017 meeting prior to submission to the ESFA, and
- (iii) agreed that the FE Commissioner benchmarks be updated and reported to the November 2017 meeting.

10/17

ESFA 2 Year Plan and Commentary 2017-2019 (Item 10)

A copy of the two year financial plan for year ending July 2019 had previously been circulated to members for information noting that this had received approval at the July 2017 Board meeting.

The Director of Finance commented on a number of related matters:-

- the Plan is based on limited growth but still provides improved projections
- It was reported that it is important to manage the financial position, however it is also important to improve quality and any unforeseen investment required by the teaching and learning team must be approved
- Noted that the innovation work is already in the budget for 2017/18
- It is important that the apprenticeships targets are achieved.

A member challenged the approach being taken to improve the financial position at UCO noting that the Oldham College side of the business in effect supports UCO. The Director of Finance acknowledged this and advised that a Steering Group has been set up to specifically address the issues at UCO and put actions in place to improve the position this year.

The Director of Finance drew the member's attention to the ESFA Financial Health grade noting that the data was different to the FE Commissioner benchmark data. Members noted the projected financial health grade would reach 'good' by 2019.

It was **RESOLVED** that members received the report and adopted the two-year plan as reported.

11/17

Treasury Position and Cash Flow (Item 11)

A report detailing the cash and treasury position of the College had been prepared by the Director of Finance and previously circulated to members for consideration and information. The Assistant Director of Finance presented the report advising members of the cash position as at 31 August 2017 for each loan and overdraft / cash balance. A discussion took place and the following points were highlighted:

- The two loan facilities with Santander were noted including the current position on the accounts
- The overdraft position was reported and members were advised that the low point on the overdraft continues to be in April 2018.
- The current balance and forecast sheet for the year end was noted
- The day to day banking facility has now been transferred to Santander from Lloyds and the Lloyds bank account closed.

It was **RESOLVED** that members noted the report as presented and endorsed the current position.

12/17

Marketing Update (Item 12)

The Principal provided a verbal update on Kenyons, the company that the College has commissioned to carry out its marketing activity advising that they have completed some excellent work particularly the Facebook and Instagram adverts.

It was reported that they had also been working with UCO to improve their presence at Clearing and to produce material for the College and UCO.

It was **RESOLVED** that members noted the update.

13/17

Risk Management Register (Item 13)

The Director of Finance updated members on the outcome of the Special Audit Committee that had been held on 26 September 2017 to review the Risk Management Register. He advised members that the conclusion of the members had been that they were confident that there is a system in place that is regularly reviewed and that the risks are properly assessed and monitored by the Audit Committee on behalf of the Corporation.

It was reported that the Register had been updated to reflect the new financial year and to take account of changing circumstances since the last meeting

It was **RESOLVED** that members noted the Risk Management Register as presented.

14/17

Health and Safety Annual Report 2016/17 (Item 14)

The Annual Health and Safety Report for 2016/17 had been prepared by the Campus Manager and previously circulated to members for consideration and information.

The Director of Finance presented the report advising that the document outlined the progress on the College health and safety management programme in 2016/17 and he summarised the key points within the report.

- The overall assurance level confirmed by the H&S Audit was 'good'
- There had been 46 accidents reported in year compared to 51 in 2015/16
- The number of accidents recorded were lower than in 2015/16, and the most common type of accident was slips, trips and falls
- Noted that student accidents have dropped compared to the previous year
- There were 46 medical incidents in 2016/17

Members considered the report and acknowledged that progress was being achieved in managing the risks within the College and UCO and recommended approval to the next Full Corporation meeting in October 2017.

It was **RESOLVED** that the Committee received the H&S Annual report and recommended approval to the next Full Corporation meeting in October 2017.

15/17

College Staff Annual Pay Review (Item 15)

The Director of Finance had previously circulated a report that provided members with an update on the College's options and proposed actions relating to the 2017/18 pay review. He advised members that the College had not given a pay award for two years, but within that period a number of staff had received automatic time based increments and a number of new staff had joined the College and therefore were not affected for as long.

It was reported what the cost of a 1% pay rise to the organisation would mean to the current financial plan. In addition a minimum award per annum for the lower paid staff was a considered.

Members debated the proposal and observed that there is a potential piece of work to be carried out that could consider rationalisation of the increment structure and job evaluation. C

Further discussion took place regarding a piece of work to review the recruitment of staff, development of staff and management of staff and suggested that an external adviser would be best placed to complete this piece of work.

It was **RESOLVED** that:-

- (i) The Director of Finance review the pay award options and report to the November meeting,
- (ii) Complete a procurement exercise to appoint a HR Consultant to carry out a review of the recruitment, development and management of staff.

16/17

Contracts over £30k (Item 16)

The Director of Finance reported that since the last meeting three new contracts had been entered into over £30k; UCO library furniture, O2 mobile telephone contract and insurance. It was also reported that the contract with the marketing agency was under review.

It was **RESOLVED** that members noted the report as presented.

17/17

Workplan 2017/18 and Cmmentary on Changes(Item 16)

A copy of the Workplan for 2017/18 including changes to the reporting sequence for the current meeting was presented to members for consideration. Members noted the additional reports; Principal's Update, Marketing Update and College Staff Annual Review.

It was **RESOLVED** that members noted the report.

18/17

Any Other Business

None reported

78/15

Dates of future meetings for 2017/18

Tuesday 28 November 2017

Tuesday 6 March 2018

Tuesday 5 June 2018 (Meeting to take place 5.00pm – 7.00pm)

Meeting finished at 6.30pm

**The Oldham College Corporation
Rolling Action List – Resources Committee**

Meeting Date(s) & Item No.	Rolling Action List	Actioner	Reported as Completed at meeting of
21 03 17 Min 47/16.1	<u>Financial Recover Plan</u> The Corporation Task Group be convened as early as possible to interrogate the financial data in more detail.	Director of Finance	Corp Task 03 04 17 08 05 17
21 03 17 Min 48/16 4 07 17 Min 59/16.2	<u>Pay award 2016/17</u> The recommendation for no general pay award this academic year 2016/17 to be reported to the Full Corporation for approval.	Director of Finance	03 10 17 Min 7/17
21 03 17 Min 50/16 4 07 17 Min 68/16	<u>Scheme of Delegation</u> The Scheme of Delegation be updated to include reference to the Principal's responsibility for ensuring quality is achieved and presented to the next Full Corporation for approval.	Director of Finance	Full Corp 11 07 17 66/16
21 03 17 Min 51/16.2 4 07 17 59/16.4	<u>Vocational Scholarships</u> A report be presented to the next Resources Committee on the viability and delivery of a vocational scholarship.	Director of Finance	03 10 17 Min 7/17
04 07 17 Min 60/16	<u>Financial Plan 2016-19 incorporating Management Accounts to May 2017 and Budget 2017/18</u> i. Management accounts up to May 2017 to be presented to Full Corporation on 11 July 2017 ii. Draft Recovery Plan 2016-19 and budget for 2017/18 be presented to the Full Corporation on 11 July 2017	Director of Finance	Full Corp 11 07 17 62/16
04 07 17 Min 62/16	<u>UCO Fees 2017/18</u> The revised Higher Education Fees 2017/18 and 2018/19 Policy be recommended for approval to the Full Corporation at its 11 July 2017 meeting.	Director of Finance	Full Corp 11 07 17 62/16
04 07 17 Min 63/16	<u>UCO Access Agreement 2018/19</u> The UCO Access Agreement 2018/19 be recommended for approval to the Full Corporation at its July meeting.	Director of Finance	Full Corp 11 07 17 62/16
04 07 17 Min 65/16	<u>Draft Estates Strategy</u> The masterplan to presented to the Resources Committee in October 2017 to allow members to consider in more detail	Principal	03 10 17 Min 8/17
04 07 17 Min 70/16 03 10 17 Min 7/17	<u>Workplan 2017/18 and TOR</u> To be presented to the Full Corporation at its July meeting for approval	Clerk	
03 10 17 Min 9/17	<u>Management Accounts for July 2017</u> Draft Financial Statements for the year ending 31 July 2017 to be presented to the Full Corporation at its October 31 st meeting	Director of Finance	
03 10 17 Min 9/17	<u>Management Accounts for July 2017</u> Final accounts will be presented to the November Resources Committee and to the Corporation for approval at its December 2017 meeting prior to submission to the ESFA	Director of Finance	
03 10 17 Min 9/17	<u>Management Accounts for July 2017</u> The FE Commissioner benchmarks be updated and reported to the November 2017 meeting	Director of Finance	

03 10 17 Min 14/17	<u>Health and Safety Annual report</u> To be presented to the Full Corporation for approval at its October 2017 meeting	Director of Finance	
03 10 17 Min 15/17	<u>College Staff Annual Pay Review</u> (i) The Director of Finance review the pay award options and report to the November meeting, (ii) Complete a procurement exercise to appoint a HR Consultant to carry out a review of the recruitment, development and management of staff	Director of Finance	