

OLDHAM COLLEGE

RESOURCES COMMITTEE (Joined by Corporation Task Group Members)

Minutes of the meeting held on Tuesday 4 July 2017

Present:	Members:	Tim Mitchell	Governor (Chair)
		Riaz Ahmad	Governor
		Kashif Ashraf	Governor
		Jonathan Edwards	Governor
		Anthony France	Governor
		Alun Francis	Governor (Principal)
		Anne Gornall	Governor
		Des Herlihy	Governor
	Officers:	Janet Frost	Clerk to the Corporation
		Allan Tyrer	Director of Finance
Debra Woodruff		Deputy Principal	
Apologies:	Abdul Alim	External Member	
	Laura Smart	Governor	

55/16 **Apologies for Absence**

Apologies for absence were received and accepted from Abdul Alim. Alex Gardiner and Laura Smart.

56/16 **Declaration of Conflicts of Interest**

All members and officers present declared that they had no interests, personal, fiduciary, or otherwise in any item on the open agenda for the meeting.

57/16 **Minutes of the Previous Meeting held 21 March 2017.**

The minutes of the previous meeting held 21 March 2017 had been circulated to members prior to the meeting for their consideration.

It was **RESOLVED** that the minutes as presented reflected a true record of the meeting and were approved and signed by the Chair as a correct record.

58/16 **Matters arising from the minutes of the previous meeting**

None reported.

59/16 **Rolling Action List Update**

i. 21 March 2017 Min 47/16.1 - Financial Recover 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. 21 March 2017 Min 48/16 - 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 not complete.

iii. 21 March 2017 Min 50/16 - 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 not complete.

iv. 21 March 2017 Min 51/16.2 - 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 was not complete.

60/16

Financial Plan 2016-19 incorporating Management Accounts to May 2017 and Budget 2017/18 (Item 7)

A copy of the latest financial recovery plan and the current management accounts up to May 2017 and year end out turn forecast had previously been circulated to members for consideration. The Director of Finance summarised the key points from the report:-

- The accounts showed that the College was on target to achieve a surplus at year end
- Income overall was forecast at slightly higher than the previous month
- The key growth areas were showing year on year growth
- The forecast income was reported as a realistic prediction of the year's outturn, however it was noted that it still relies on continued recruitment on adult programmes, apprenticeships and achievements relating to income
- Pay costs had taken into account the projected savings and redundancy costs and the saving relating to the delayed recruitment of vacant posts
- Non pay costs showed an in year saving
- Noted that the predicted outturn would return the college's financial position health rating to satisfactory by 31st July 2017
- Noted that the college had passed the date of need for maximum overdraft
- Noted that SLT monitor the financial position at its weekly meetings to ensure any risks are identified early that could impact negatively on the budget
- Reported that the salary costs will be at 65% by the end of 2017/18
- The rise in HE income is due to increase in fees

Members discussed the report and a governor asked for clarification on the way in which the forecasted figures had been calculated for the apprenticeship levy for non-levy payers and levy payers. The Director of Finance reported that consideration had been given to the old contract, matched starts and intelligence the college had on non-levy payers. A calculation had also been done on the potential business of levy payers. The Director of Finance added that the projections were prudent. c

A member asked what would happen in future years, as numbers could potentially drop going forward. The Director of Finance responded that each year would be challenging but the introduction of improved monitoring at Faculty and departmental level would assist with forward planning. It was noted that the funding for 2018/19 would be based on the numbers enrolled in October 2017. c

It was **RESOLVED**:-

- i. that members of the Committee accepted the summary of the management accounts to 31 May 2017 and recommended they be presented to Full Corporation on 11 July 2017,
- ii. that members accepted the draft recovery plan for 2016-19 including the draft budget for 2017/18, requesting that the final plan be presented to the Full Corporation meeting on the 11 July 2017.

61/16

Treasury Position (Item 8)

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 Director of Finance informed members of the cash position as at 31st May 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
- The utilisation of the overdraft at its highest point in the year (April) had not reached the forecast figure and the result had been a headroom of £544k (i.e. within the £3m facility). The Director of Finance reported that at the same point next year this figure will improve even more
- It was reported that the current budget and forecast balance were in line with projections

A member asked if the bank had had contact with the FE Commissioner and had they been made aware of the FE Commissioner proposal. It was reported that the bank were fully briefed by SLT but had not met with the FE Commissioner directly. The bank had expressed their confidence in the College remaining a standalone organisation. Q

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

62/16 UCO Fees 2017/18 (Item 9)

A copy of the Higher Education Fees Policy for 2017/18 and 2018/19 had previously been circulated to members for consideration. The Deputy Principal reported that the policy had been reviewed by the UCO Advisory Board at its meeting on the 8 June 2017.

The Deputy Principal summarised the key areas of the policy drawing member's attention to para 3.1 which stated that fees for 2017/18 would be £7500 for UK based students. This would remain the same for 2018/19 with some courses charging a higher amount of £8,000 for those courses that had higher costs such as photography, graphics, media, games and performance.

A member asked what the impact would be on the College's finances should the number of students reduce due to an increase in fees. The Director of Finance reported that a risk assessment had been carried out prior to proposing the increased fees and it was felt that mitigating factors included the increased number of courses available to prospective students and UCO presence now on UCAS. C

It was **RESOLVED** that members accepted the revised Higher Education Fees 2017/18 and 2018/19 Policy as presented and recommended approval to the Full Corporation at its 11 July 2017 meeting.

63/16 UCO Access Agreement 2018/19 (Item 9.2)

A copy of the Access Agreement for 2018/19 had previously been circulated to members for consideration. It was reported that the tuition fees ranged from £7500 - £9000 depending on the subject. The increase in fees would be used to develop links with schools and colleges to raise aspiration and attainment, to support access to HE and to support retention and progression.

It was **RESOLVED** that the UCO Access Agreement for 2018/19 be recommended to the Full Corporation at its July meeting for approval.

64/16 Risk Management Update (Item 10)

A copy of the Risk Register had previously been circulated to members for their consideration. The Director of Finance reported that the key operational risks surrounding merger discussions had been amended to reflect the current circumstances and FE recommendations and the impact of not securing satisfactory financial health. Members were advised that a review of the register would be carried out before the next Audit Committee to ensure the risks were cascaded through the various departments and faculties and to reflect the regular management interventions that were taking place.

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

65/16 Draft Estates Strategy 2017/18 (Item 11)

A copy of the draft Estates Strategy 2017/18 had previously been circulated to members for consideration and comment. The Principal reported that it is important to finish the site in order to have the facilities to deliver all pathways to Level 3.

The Principal reported that a recent condition survey had concluded that the campus remains static in terms of condition rating. A masterplan has been developed following this piece of work with the plan identifying phased improvements and renewal to the estate once circumstances and funding are available. Details of the projects were reported including; adaptation to the UTC, conversion of G block to catering facility, demolition of the Bronte Building, new construction workshop, refurbishment of sports facilities and the Grange Theatre and improvements to UCO.

A member commented that there is Digital Skills Funding available and the Deputy Principal agreed to explore the application process in more detail with a view to putting in an application. The Chair asked that members be given the opportunity to review the masterplan in more detail at the next meeting.

It was **RESOLVED** that:-

- i. members noted the report as presented,
- ii. the masterplan be presented to the Resources Committee in October 2017 to allow members to consider in more detail.

66/16 **Procurement Strategy 2017/18 (Item 12)**

A copy of the Procurement Strategy 2017/18 had previously been circulated to members for consideration. Members considered the strategy and the proposed amendment and it was agreed that the bullet point'To support a buy local policy where appropriate' should read ... 'To support a buy local policy'.

It was **RESOLVED** that:-

- i. members agreed the change in wording to 'To support a buy local policy',
- ii. With the amendment as per above, the Procurement Strategy 2017/18 be approved.

67/16 **General data Protection Regulations (GDPR) (Item 13)**

A report detailing the new general data protection regulations and the college's preparedness for the implementation of the new legislation had been circulated to members for their consideration.

The Director of Finance summarised the key points which related to the protection of personal data and the actions that must be taken if the college suffers a breach of data.

A governor asked if the college had adapted its business to minimise risk and it was reported that consideration had been given to the processes and actions had been identified that would require procedural changes. It was also reported that there were a couple of key risks that were outside of the college's control and these were being monitored.

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

68/16 **Scheme of Delegation (Item 14)**

A copy of the Scheme of Delegation had previously been circulated to members for consideration and comment. The Clerk advised that the C&Q Committee had requested reference to the Principal's responsibility for ensuring quality is achieved and this had been added to the document for completeness.

It was **RESOLVED** that members recommended approval of the Scheme of Delegation to the next Full Corporation for approval.

69/16 **Contracts over £30k (Item 15)**
69/16.1 Insurance Tender

The Director of Finance reported that the College had recently carried out an insurance procurement exercise through a broker, which had resulted in a potential saving of £26k per

annum. Members discussed additional items of cover as recommended by the Broker and members supported these additions.

It was **RESOLVED** that members approved the insurance quotation as detailed and the additional cover as recommended in the report.

70/16 Workplan Deviation Report, Review of Terms of Reference and Workplan 2017/18 (Item 16)

A copy of the Workplan Deviation Report, Terms of Reference and Workplan for 2017/18 had previously been circulated to members for consideration.

The Clerk reported that the deviation report showed variations to the planned reporting sequence for each of the meetings that had taken place this year. It was noted that all reports had been presented as agreed throughout the year.

The 2017/18 Workplan identified the reports that would be included at each meeting for 2017/18.

It was noted that the Terms of Reference for the committee were presented with no changes.

It was **RESOLVED** that the Workplan for 2017/18 and Terms of reference be presented to the Full Corporation at its next meeting for approval.

71/16 Identification of Equal Opportunity Issues (Item 17)

There had been no issues identified to report.

72/16 Identification of Health and Safety Issues (Item 18)

There had been no issues identified to report.

73/16 Any other business (Item 19)

None reported.

74/16 Dates of future meetings for 2017/18

Tuesday 3 October 2017, 5.00pm – 7.00pm

Tuesday 28 November 2017, 5.00pm – 7.00pm

Tuesday 6 March 2018, 5.00pm – 7.00pm

Tuesday 5 June 2018, 5.00pm – 7.00pm

Meeting finished at 5.00pm

Approved: **Date:**
Chair

**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	
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	
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	
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	
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	
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	
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	
04 07 17 Min 70/16	<u>Workplan 2017/18 and TOR</u> To be presented to the Full Corporation at its July meeting for approval	Clerk	