

OLDHAM COLLEGE

RESOURCES COMMITTEE

Minutes of the meeting held on Tuesday 2 June 2020

Present:	Members:	Sue Kershaw	Governor (Chair)
		Graham Bradbury	Staff Governor
		Jonathan Edwards	Governor
		Alun Francis	Governor (Principal)
		Andrew Swain	External Member
	Officers:	Janet Frost	Clerk to the Corporation
		Rebecca Johnson	Asst. Director of Finance
		Allan Tyrer	Finance Director
		Debra Woodruff	Deputy Principal
		Josie Elson	HR Director
		Cath Inchbold	Project Manager
	Apologies:	Shauna Dixon	Governor

45/19 **Apologies for Absence**

An apology for absence had been received and accepted from Shauna Dixon.

46/19 **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 agenda.

47/19 **Minutes of the Previous Meeting held 3 December 2019.**

The minutes of the previous meeting held 3 December 2019 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.

48/19 **Matters arising from the minutes of the previous meeting**

There were no matters arising.

49/19 **Rolling Action List Update**

(i) 3 December 2019 Min 21/19 - Funding Presentation

A presentation be delivered at the next Resources Committee to explain further the complexities of apprenticeship funding.

It was **RESOLVED** that this action was not complete. Report to be presented to the October 2020 meeting.

(ii) 3 December 2019 Min 27/19.1 - Sickness Absence Management Policy

(i) Sickness Absence Management Policy to be recommended for approval to the Corporation at its December meeting.

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

(ii) Evaluation and outcome of the new policy to be reported to the Resources in 12 months (December 2020).

It was **RESOLVED** that the Resources Workplan be updated to reflect the timing of reporting.

(iii) 3 December 2019 Min 27/19.2 - Capability Policy and Procedure

To be recommended for approval to the Corporation at its December meeting (subject to the final version being made available).

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

(iv) 3 December 2019 Min 28/19 - Marketing and Communication

A presentation be made to the Corporation on the marketing, communication and PR strategy.

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

(v) 3 December 2019 Min 29/19 - Capital Project Update Report

The Capital Task Group members to receive monthly reports.

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

(vi) 3 December 2019 Min 33/19 - Treasury Position and Cash Flow Report

The minutes of the ESFA meeting and end of year ESFA letter be forwarded to members upon receipt.

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

50/19

The Chair proposed a change to the sequence of reporting with the following items brought forward on the agenda: Item 7 Capital Project Update and Items 12.1 and 12.2 HR Policies

It was **RESOLVED** that members accepted the change to the sequence of reporting.

51/19

Capital Project Update (Item 7)

A report had previously been circulated that provided members with an update on the progress with the College's Construction Skills Centre and detailed the current key issues, risks and actions required to ensure progress.

Cath Inchbold, Project Manager, introduced the report. The key points reported included:-

- The College and its advisers had moved quickly to discuss with Willmott Dixon the implications of the pandemic and agreed the project could continue on site safely with only single trades in operation. It was reported the works are slightly ahead of programme
- Members noted that a pandemic is a compensation event under the form of contract the College has entered into. The parties negotiated a Deed of Variation to the contract which capped the College's losses arising from increased time and costs due to the pandemic at £60k.
- Reported the College has re-assessed its risk allowance and match funding allocations to accommodate the £60k within the overall match funding contribution
- Members were informed the College had managed the relationship with the GMCA and submitted a revised cash flow in mid May at their request
- Support works continued which included the removal of asbestos from the plant room and planning for service isolations and diversion work

The Project Manager advised work had progressed on the only legal/contractual matter that was outstanding, the legal charges to be taken out by Santander and the GMCA. She advised this had proved very difficult to conclude.

The written resolution of the Resources Committee was circulated to the members which requested the committee, on behalf of the Corporation, to consider and if thought appropriate approve the terms of a proposed amendment of:

- (i) a facilities agreement dated 16 December 2013 and made between (1) Oldham College and (2) Santander UK PLC ("2013 Existing Santander Facility Agreement"),

(ii) a facilities agreement dated 30 April 2014 and made between (1) Oldham College and (2) Santander UK PLC (“2014 Existing Santander Facility Agreement”),
See attached Written Resolution approved by Resources Committee at the current meeting.

- It was reported the Reviewable Design Data (RDD) process was being managed and was on-going between the College’s project manager, in consultation where possible with College staff, and the Willmott Dixon design manager.

The Project Manager drew members attention to the key risks, advising that the recent news that Oasis Academy may be delayed in its handover to the College would impact on the Bevan and Bronte being handed over to Willmott Dixon. It was also noted that continued lockdown and requirement for social distancing on site may slow the programme down where multi trades are on site.

The Chair thanked the project manager for her report and noted the progress that had been achieved during lock down. The Chair continued and asked if contingency plans were in place should Oasis Academy not vacate as planned and the project manager explained how the college was planning for such an event to minimise disruption to students and staff. **C**

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

5.30pm Cath Inchbold retired from the meeting

52/19

HR Policies and Procedures (Item 11)

The HR Director introduced the policies.

52/19.1 Grievance Procedure (Item 11.1)

The HR Director reported that the Grievance Procedure had been reviewed and updated to place greater emphasis on the importance of trying to resolve grievances through informal means. Mediation has been introduced as an option to resolve grievances or disputes informally. It was reported that the formal part of the process is also more streamlined. It was noted that the Unions are yet to comment and once received the final document will be presented to the Corporation for final approval. The HR Director advised the procedure is in line with UCAS code. Members considered the procedure and a number of questions and comments were raised including:-

- Has the Capability Procedure been revised to complement the Grievance Procedure? Yes, training is taking planned with staff to ensure a full understanding of the implementation of bot procedures
- A governor concurred that the offer of mediation is useful, however will the cost of mediation impact on the budget? HR staff are already qualified to deliver a mediation service and further staff training is planned. The college is also exploring a reciprocal service with other colleges.
- Are Grievance managers and Appeal managers up to date with their training? Yes all staff have received training on the current procedures

It was **RESOLVED** that members recommended approval of the Grievance Procedure to the June 2020 Corporation meeting (subject to any final amendments being received from the Unions).

52/19.2 Disciplinary Policy and Procedure (Item 9.2)

The HR Director had previously circulated the Disciplinary Policy and Procedure advising that the purpose of the Procedure was to help and encourage employees to achieve and maintain acceptable standards of conduct at work, adding it was also designed to ensure consistent and fair treatment for all in relation to disciplinary action taken in response to misconduct.

Members considered the policy and procedure and approved the document subject to the final version being made available to the Corporation once comments received from the Unions. It was **RESOLVED** that members recommended approval of the Disciplinary Policy and Procedure to the Corporation at its June 2020 meeting (subject to the final version being made available).

52/19.3 Probationary Policy

The HR Director provided a verbal update on the status of the Probationary Policy advising the Unions have provided feedback which will be incorporated into the draft police. The final version will be presented to the next meeting for review and approval.

It was **RESOLVED** that members noted the progress in drafting a new Probationary Policy.

5.45pm Josie Elson retired from the meeting

53/19

Principal's Update (Item 6)

A copy of the Principal's Report had previously been circulated to members for consideration prior to the meeting.

The Principal presented the report advising:-

- **Online Learning and Remote Delivery** – Reported the College has been closed for the majority of face to face work since 18th March 2020, with lessons continuing to be delivered online and staff working remotely. During this period, a small number of learners have accessed the site to complete end point assessments or in special circumstances. Learners with Education Care and Health Plans and those who are vulnerable have been contacted regularly, with weekly update reports provided to senior managers. All main classes have been taught remotely
- Reported the **communications team** has issued a daily update on a range of matters to ensure that all staff are fully informed of developments and have a focal point for College matters in the absence of face to face contact.
- Advised the College has reforecast the budget, and is currently reviewing the Estates plans for the summer
- The College has released the findings of the **Great Place to Work survey**, which was completed prior to lockdown, and has completed a survey of staff to establish issues around the resumption of face to face contact.
- Reported the Government has indicated that it is seeking the **gradual reopening of schools and colleges** – initially from 1st June (now re-clarified as 15th June) and has issued guidance (14th May). This has coincided with guidance around teacher assessments for vocational learning (GCSE and A level has already been issued), with the details of this continuing to be issued by awarding bodies
- The Principal provided detail on the **return to work planning** that was taking place advising there has been a variety of guidance around a return to face to face work. He advised this is guidance and not a directive and makes clear that the decision about when, how and the way that a resumption of face to face work takes place, sits with the College. He continued and reported that in planning this, the College needs to balance the educational needs of learners, with the health and safety of staff and learners, within the overall guidelines.

The plan covers two phases for a resumption of face to face contact. The first is in June/July, the second is from September. The Principal advised in order to manage the resumption of face to face work, the College had produced a plan which was based on the principles set out by the Department of Education, the principles presented by the trade unions, the guidance issued by the Association of Colleges and the College's own assessments. A copy of the methodology was circulated to members prior to the meeting for their consideration. It was reported this was a working document which would be persistently updated. A fuller plan was being prepared for September which again would be shared with members. The Principal drew out the key points from the document noting advising it sets out :-

- The methodology we are following in terms of risk assessment

- The timetable for June/July with assessment guidance still being issued in w/c 25 May, and a meeting with trade unions scheduled for 3rd June – with the College aim being to sign off faculty plans in time for 15th June start
- The June/July return will be used to test out assumptions and practices for September – in the meantime planning is underway for the 2020-21 academic year.

Members noted the methodology and plan and supported the progress made to secure a risk assessed resumption of face to face work in June.

Financial plan

The Principal reported that prior to the lockdown, the College was on target to meet its financial ambition of a “good” health rating by the close of 2019-20. He advised this was no longer achievable because of the income lost and the additional cost pressures brought about by the lockdown. However considerable work has been done to minimise the impact in this financial year and overall the College has been impacted less severely than others in the sector. Members were updated on the risks associated with next year relating to apprenticeships and HE funding.

Estates issues

The Principal provided a detailed report on the issues relating to Oasis Community Learning vacating the UTC in July as previously indicated due to delays with the completion of their new school at Leesbrook. It was reported the earliest they will leave is the last week of October 2020.

The Principal informed members of the risks to the College due to the delay and provided details of actions being taken by the College to progress matters. Members noted the report, issues raised and actions being taken to progress matters to a positive conclusion.

It was reported the Chair and Principal had a meeting scheduled with the Council and DfE for 4th June to progress matters.

Risk areas – Construction project

The Principal informed members the delay in taking over the UTC has also added potential disruption to the College’s capital project adding the new construction centre requires the vacation and handover of the Bronte (accommodating Principalship, support services, English and maths tutors and the Sewing Academy); and the Bevan (ESOL) by October. These buildings cannot be emptied without space elsewhere on site becoming available, as the plan includes other faculties and departments moving into the UTC.

He advised the potential implications of a delay could be significant in terms of delay and penalties and the best mitigation was to assume the handover of the buildings as a given, and to work on re-accommodation of essential provision only. On a temporary basis, some work may continue to be conducted with staff at home (finance, management, HR and work based learning), with an options assessment for the remaining provision on a temporary basis. The Principal reported by working in this way, the College can protect the capital programme, however there may be cost or quality implications which would have to be addressed in the plans.

T level Capital bid

The Principal informed members the College has applied for small capital grants to support T level delivery. Work is also progressing on the preparation of a bid to the T Level Capital Investment Fund. He advised that the bid will link to the Early Years and Health and Science T levels and will remodel spaces within the ground floor of the former UTC into Nursery and Medical room real work environments. In addition it will support changing areas and a sports science laboratory. It was reported the bid will request circa £200k and be matched by £50k from the College. This is a reduced match funding contribution which will be justified within the bid.

The Principal informed members the College has received £20k to assist with the preparation of the bid which is being used to secure professional advice from architects, cost consultants and to project manage the bid. The deadline for the bid is 26 June 2020 and the date for announcements of

successful bids is October 2020. The DfE have indicated there is likely to be flexibility around the September 2021 completion date if needed.

Members discussed the benefits of securing the CIF (circa £200k) in detail and the enhanced teaching and learning that will be delivered within the real work environments and confirmed their approval of the matched contribution as reported.

It was **RESOLVED** that:-

- (i) Members noted the Principal's Report as presented
- (ii) Members noted the return to work methodology and plan and supported the progress made to secure a risk assessed resumption of face to face work in June
- (iii) Members noted the report, issues raised and actions being taken to progress matters to a positive conclusion for the transfer of the UTC to the College
- (iv) Members confirmed their approval to submit the T Level Capital Bid for circa £200k and agreed the matched contribution of £50k.

54/19

Draft Budget 2020/21 (Item 8.1)

The Finance Director had previously circulated to members the draft budget for 2020/21. He advised the budget was still work in progress and reflected a 'business as usual' position. The additional costs of implementing social distancing measures in September and beyond had not been incorporated into the budget at this stage.

It was reported an EBITDA in excess of £2.5K was prudent to facilitate the College meeting its loan commitments, eliminating its overdraft requirement and providing the capital expenditure budget to meet the skills bid match contribution and add to the College facilities generally. The draft budget showed a target EBITDA of £2.866m.

The Finance Director guided members through the report noting the following key points:-

Income –

- 16-18 income, AEB and high needs element 2 are included at contract value and the income is secure regardless of student enrolments.
- Apprenticeship income is assumed to have a slow pick up after lockdown and is included at the lower end of the College's expectations.
- HE fees income is included on a no growth basis, due to the huge uncertainty surrounding student attitude and behaviour towards local HE
- Grant income includes only those already known and secured, additional income is likely but will have associated costs also not in the budget.
- Other income includes catering income now being earned directly by the College.
- Salary costs incorporate a 2% pay rise in January 2021 as signalled and include the cost of catering staff transferred to the College in June 2020
- Non pay costs include catering costs

Members considered the report and a number of questions and comments were raised:-

- Does the college have an indication of Adult and ESOL numbers at this stage? Not at present and if the current restrictions on social distancing continue into the summer the numbers will be impacted. There will be a summer campaign focussed on 'stay local' and 'accessible' learning so this may encourage students to HE, adult and ESOL courses
- The college may attract students that do not want to use public transport
- Apprenticeship numbers will be lower than previously planned and this is reflected in the budget.

Members confirmed their approval of the plan and requested continuous monitoring takes place to ensure income does not reduce further than planned and social distancing costs are budgeted for. It was agreed that monthly budget reports are presented to the Chair of the Committee and Chair of the Corporation.

It was **RESOLVED** that:-

- (i) Members recommended approval of the Budget for 2020/21 to the Corporation at its June 2020 meeting
- (ii) monthly budget reports are presented to the Chair of the Committee and Chair of the Corporation
- (iii) Costs related to the implementation of social distancing measures are included in the plan.

55/19

Management Accounts for April 2020 (Item 8.2)

A copy of the management accounts up to April 2020 had been circulated to members prior to the meeting. The Finance Director drew members attention to the following key points:-

- The EBITDA (earnings before interest, tax and depreciation) for the nine months is £1.636m (budget £1.753m). The Finance Director explained this deficit is starting to reflect the anticipated EBITDA as a result of the college closure due to Covid 19.
- All income streams continue to be closely monitored to ensure income targets are achieved
- The income for 16-18, 19+ learners on continuing programmes and high needs students is based on lagged funding and therefore the income is secure as an allocation of ESFA. However the in year outturn will affect next year's allocation
- There will be a shortfall in Apprenticeship income. The Finance Director reported a prudent shortfall against budget of £200k has been incorporated into the forecast
- HE recruitment is on target and enrolled numbers ahead of last year. If retained this will generate £4.3m (forecast income £4.173m)
- Grant/project income – It was reported that the shutdown had impacted on the college's ability to carry outcome aspects of its grant funded activity of circa £30k

The Finance Director concluded that taking into account the reductions in income reported the budget overall was £160k down.

It was **RESOLVED** that members received the management accounts as at April 2020 and noted the position.

56/19

Treasury Position and Cash Flow (Item 8.3)

A report detailing the cash and treasury position of the College had been prepared by the Assistant 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 30 April 2020 for each loan and overdraft / cash balance. A discussion took place and the following points were highlighted:

- The College continues to monitor the cash balance daily
- The College was in a net overdraft position for cash as at the end of April 2020.
- April reported the greatest use of the overdraft facility when there was £1,716k headroom (2018/19, £1,061k) headroom
- The current budget and forecast balance sheet for the year are in line with the ESFA forecast model
- The College is not in breach of any of the revised loan covenants

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

57/19

Risk Management Register (Item 9)

A copy of the Risk Management Register had previously been circulated to members for consideration. The Finance Director reported that the key operational risks had been updated since the previous , with a specific risk 'Impact of Covid 19 on College's ability to function' and the mitigated risk scores adjusted to reflect the current position.

He added that following discussion at the current meeting a further risk would be added to the register relating to the UTC.

It was **RESOLVED** that members noted the Risk Management Register as presented and agreed the UTC be added as a risk on the register.

58/19 **Scheme of Delegation (Item 10)**

The Scheme of Delegation had previously been circulated to members for consideration. It was reported the document was presented with only one change which members noted.

It was **RESOLVED** that members recommended approval of the Scheme of Delegation to the Corporation at its July 2020 meeting.

59/19 **Approval of Policies**

59/19.1 Refund and Compensation Policy (Item 11.3)

A copy of the Refund and Compensation Policy had previously been circulated to members for consideration. It was noted there were only minor changes to the policy.

It was **RESOLVED** that members approved the Refund and Compensation Policy as presented.

59/19.2 UCO Student Protection Policy (Item 11.4)

A copy of the Student Protection Policy had previously been circulated to members for consideration. It was noted there were only minor changes to the policy.

It was **RESOLVED** that members approved the UCO Student Protection Policy as presented.

59/19.3 HE Course Closure Procedure (Item 11.5)

A copy of the HE Course Closure Procedure had previously been circulated to members for consideration. It was noted there were only minor changes to the policy.

It was **RESOLVED** that members approved the HE Course Closure Procedure as presented.

59/19.4 Fees Policy (Item 11.6)

A copy of the Fees Policy had previously been circulated to members for consideration. It was noted there were only minor changes to the policy.

It was **RESOLVED** that members approved the Fees Policy as presented.

60/19 **Contracts over £30k (Item 13)**

Members were advised there had been three contracts let since the previous meeting with the same supplier that totalled over £30k. The Finance Director reported on this occasion there were limitations to supply and a lack of time required to purchase the goods (relating to Covid 19) and therefore the purchase proceeded without a tender. He advised that such an exemption was permitted under the Financial Regulations.

61/19 **Workplan 2019/20 and Commentary on Changes (Item 14)**

A copy of the Workplan for 2019/20 including changes to the reporting sequence for the current meeting was presented to members for consideration. Members noted the changes to the workplan.

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

62/19 **Any Other Business**

None reported

63/19

Dates of future meetings**To be confirmed****Meeting finished at 7.00pm**

Signed:

Date:

Chair

Rolling Action List – Resources Committee 2 June 2020

Meeting Date(s) & Item No.	Rolling Action List	Actioner	Reported as Completed at meeting of
3 December 2019 Min 21/19 2 June 2020 Min 49/19 (i)	<u>Funding Presentation</u> A presentation be delivered at the October 2020 Resources Committee to explain further the complexities of apprenticeship funding	Finance Director	
3 December 2019 Min 27/19.1	<u>Sickness Absence Management Policy</u> (i) Sickness Absence Management Policy to be recommended for approval to the Corporation at its December meeting. (ii) Evaluation and outcome of the new policy to be reported to the Resources in 12 months (December 2020)	HR Director	2 June 2020 Min 49/19 (ii)
3 December 2019 Min 27/19.2	<u>Capability Policy and Procedure</u> to be recommended for approval to the Corporation at its December meeting (subject to the final version being made available).	HR Director	2 June 2020 Min 49/19 (iii)
3 December 2019 Min 28/19	<u>Marketing and Communication</u> A presentation be made to the Corporation on the marketing, communication and PR strategy	Head of Marketing	2 June 2020 Min 49/19 (iv)
3 December 2019 Min 29/19	<u>Capital Project Update Report</u> The Capital Task Group members to receive monthly reports	Finance Director	2 June 2020 Min 49/19 (v)
3 December 2019 Min 33/19	<u>Treasury Position and Cash Flow Report</u> The minutes of the ESFA meeting and end of year ESFA letter be forwarded to members upon receipt	Finance Director	2 June 2020 Min 49/19 (vi)

3 December 2019 Min 38/19	Financial Regulations Financial Regulations be recommended for approval to the Full Corporation at its December 2019 meeting	Finance Director	2 June 2020 Min 49/19 (vii)
2 June 2020 Min 52/19 (i)	Grievance Procedure to be presented to the June 2020 Corporation meeting (subject to any final amendments being received from the Unions)	HR Director	
2 June 2020 Min 52/19 (ii)	Disciplinary Policy and Procedure to be presented to the Corporation at its June 2020 meeting (subject to the final version being made available).	HR Director	
2 June 2020 Min 52/19 (iii)	Probationary Policy Draft policy to be presented to the October 2020 Resources Committee	HR Director	
2 June 2020 Min 54/19	Draft Budget 2020/21 (i) Members recommended approval of the Budget for 2020/21 to the Corporation at its June 2020 meeting (ii) monthly budget reports are presented to the Chair of the Committee and Chair of the Corporation (iii) Costs related to the implementation of social distancing measures are included in the plan.	Finance Director	
2 June 2020 Min 58/19	Scheme of Delegation to be presented to the Corporation at its June 2020 meeting.	Finance Director	