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| **MINUTES** | | | | | | |
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| *Finance and Resources Committee No 38* | | | | | | |
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| Date: |  | *01/03/2022 (Tuesday)* |  | Time: |  | *18:00–20:00* |
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| Venue: |  | *Via Teams* |  | Committee: |  | *Finance and Resources* |
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| Notes: |  | *The meeting will be held via video conference on the Teams Platform.* | | | | |
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| Present: |  | *Alison Robinson (Principal), David Hall and Sue Collinge (Chair)* | | | | |
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| Attending: |  | *Janet Whiteside (Director of Finance), Joanne Sherrington (Deputy Principal), John Wherry (Deputy Principal) and Steven Downham-Clarke (Vice Principal)* | | | | |
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| Clerks: |  | *Ron Matthews (Clerk)* | | | | |
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| Apologies: |  | *Clare James (Vice Chair) and Rafik Adam* | | | | |
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| ***Public* Minutes** | |
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| Item number: | Item description: |
| (and category) |  |
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| **01.22** | ***Attendance of College Management*** |
| ***Decision*** | |  | | --- | | Section 8.2 of the current Constitution and Terms of Reference for the Finance & Resources Committee states:College management and/or consultants may attend meetings by invitation in an advisory capacity.  **Resolved:**  **That College Management Staff attend the meeting.** | |
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| **02.22** | ***Apologies for Absence*** |
| ***Information*** | Apologies for absence had been received from Rafik Adam and Clare James. Steven Downham-Clarke was engaged elsewhere on College business. |
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| **03.22** | ***Minutes of Previous Meeting*** |
| ***Decision*** | The public minutes of the Finance & Resources Committee meeting number 37 held on 30 November 2021, published on the extranet, were agreed and signed as a true and correct representation of the meeting. |
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| **04.22** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interest made in respect of items on the public agenda. |
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| **05.22** | ***Strategic Plan Progress Report*** |
| ***Decision*** | |  | | --- | | The Committee considered the Strategic Plan Progress Report for the Finance and Resources Committee. The key performance indicators related to income, the Capital Plan, Human Resources Statistics and Financial Performance. The report was based on the Strategic Goals of People and Sustainability. |   Staff sickness, retention and Riddor accident rates were all better than target.  Although efforts were being made to improve performance, adult classroom based and full cost recovery provision would prove a challenge to meet targets. HE numbers were down, which impacted on the overall budget, but were now meeting the revised control budget.  The remaining financial indicators (surplus, cash days, cash balance, EBITTDA, borrowings as a % of income) were on or above target.  Recruitment to FE was above target.  **Resolved:**  **That the report be received.** |
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| **06.22** | ***Financial Position Statement for the Period Ended 31 January 2022*** |
| ***Decision*** | The report was presented by the Deputy Principal, Finance and Corporate Services. This included a statement of comprehensive income together with a detailed analysis. The statement showed the actual results for the period up to 31 January 2022, together with the outturn for 2019-20, the budget for 2020-21, which was approved by the Board in July 2020, the Control Budget approved in December 2021 and the Forecast for 2021-22. The Balance Sheet as at the period end was also included, together with details of Cash Flow for the year to 31 July 2022 and forecast Cash Flow to July 2022.  Overall College income was £16.752m against a budget of £17.129m, a difference of -2%.  Surplus income of £1,468k was £178k behind budget. The reduction in income had been offset by cost savings on pay.  EBITDA income was down against the control budget by £278k.  The actual payroll to income ratio was 57.2% compared to the control budget target 56.9%. Cash balances at the period-end were £11.484m with cash days at 127 days.  The current gross margin was £864k, £210k behind control budget and forecast.  The current loss for the farm was £87k against a control budget loss of £84k.  The Financial Health Grade remained outstanding.  The farm monitoring report was attached to this item for the information of the Committee.  The report included full details of capital expenditure,  expenditure was currently £1.041m against a revised budget of £3.197m. This included the additional funding of £479k from the ESFA for the Skills Accelerator projects.  The Deputy Principal also updated the Committee on the ESFA audit of funding for 2020/2021. The audit was continuing and the original 366 outstanding queries had now been reduced to 18.  The ESFA had adopted a zero tolerance approach for the audit but the Deputy Principal did not envisage that the potential risk would have a great impact on the College.  **Resolved:**  **That the report be received.** |
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| **07.22** | ***Financial Regulations Annual Review*** |
| ***Decision*** | The Committee considered the report of the Deputy Principal, Finance and Corporate Services, on a review of the Financial Regulations.  The Financial Regulations required reviewing on an annual basis and the changes to the previous version of the document had been highlighted. These included a provision for expenditure over £50,000 to be authorised without prior approval of the Finance and Resources Committee if it was for capital expenditure and specifically included in the approved budget.  A further proposal was to increase the limit of investment with an approved bank from £3,500,000 to £5,000,000.  Due to level of amendments to the document it was  **Resolved:**  **That the Corporation be recommended to adopt the revised Financial Regulations with effect from 1 April 2022.** |
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| **08.22** | ***HE Policy and Procedure, Bursary Policy and Tuition Fees 2022/2023*** |
| ***Decision*** | The Committee gave consideration to the proposed Higher Education Policy and Procedure, Bursary Policy and Tuition Fees for 2022/2023. To ensure compliance Myerscough was required to work with UCLan to agree the fee structure for new entrants in 2022/23 as part of the Access Agreement and also in line with the requirements of the Office for Students.  The review of the Bursary Policy and student support package remained similar to last year.  The College current recommendations were based on the existing fee cap of £9,250 for full time students.  The report included a summary of the fees including part time and international students.  **Resolved:**  **That the HE Policy and Procedure, Bursary Policy and Tuition Fees be agreed.** |
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| **09.22** | ***Statutory Risk Register*** |
| ***Decision*** | The Committee considered the Strategic Risk Report for 2021/2022 as presented by the Deputy Principal, Finance and Corporate Services.  Included were references to the risk appetite statement, risk assessment framework and risk heat map.  The report identified the top five risks for the College. Covid and Cyber Security remained two of the main risks identified.  **Resolved:**  **That the report be Received.** |
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| **10.22** | ***Human Resources Report for the Period Ended 31 January 2022*** |
| ***Decision*** | |  | | --- | | The Committee considered the above report which contained analysis of staff turnover, breakdown analysis of leavers, staff stability index and staff sickness statistics for the year up to 31 January 2022. |   The Committee noted staff turnover – the percentage of workers who leave – was 14.2% for all staff, 2.4% for management staff, 11.6% for teaching staff and 16.4% for support staff. When compared with the same period last year, staff turnover was 12.8% for all staff, 7.3% for management staff, 11.2% for teaching staff and 13% for support staff.  Current staff turnover was in line with the national average for Colleges which was 14.8%; for the North West the average staff turnover was lower at 12.8%.  For the last quarter the College supported 131 vacancies.  Absence was measured by the average number of working days lost per employee and the lost time percentage, which was a measure of the proportion of available working time lost due to absence during the year.  The average number of working days lost due to sickness at the College was 4.86 and the lost time percentage was 1.87%. For the same period last year, the average number of working days lost due to sickness at the College was 5.07 and the lost time percentage was 1.95%.  There were 7 staff absent, long term, at the end of the reporting period compared with 5 staff at the same reporting period for the previous year.  Sickness absence remains reasonably static in all categories at this time and is within the average for the sector.  Circulated with the report was the Gender Pay Gap report - March 2022.  The College was required to publish the report for the period 1.4.2020 – 31.03.2021 by the end of March 2022.  The College median pay gap (middle) had improved by 3.3% (22.92% median pay gap). The mean pay gap (average) had improved by 3.4% (11.68% mean pay gap). It was not yet clear how the recent pay review would impact on the gender pay gap as this will only take effect in next year’s reporting data. The report highlighted areas of focus for the year ahead, which it was hoped, over the long term, would serve to reduce the pay gap.  **Resolved:**  **That the report be received.** |
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| **11.22** | ***Health and Safety Report for the Period Ended 31 January 2022*** |
| ***Decision*** | |  | | --- | | Members gave consideration to the Health and Safety Report for the period ended 31 January 2022 which provided an analysis of accident statistics over the period, together with other Health and Safety activities including policy updates, staff training, free health checks, auditing and inspections.  Overall, accidents had increased from 47 to 100 as compared with the same period last year, a consequence of the Covid pandemic which resulted in a reduced number of staff and students being on campus. However, this number was lower than the same period in 2019 when there were 103 accidents. There was one RIDDOR reportable accident during the period making a total of 2 for the year and below target.  Analysis indicated that the 100 accidents involved 9 staff and 91 students –  15 (15%) were taken to hospital 13 students, 2 staff  55 (55%) received first aid treatment  30 (30%) needed no treatment  Equine students at both Preston and Croxteth were involved in the majority of the accidents. There were no areas of significant concern. |   The report included details of recent audits, training and drills.  **Resolved:**  **That the report be received.** |
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