Minutes of the Resources Committee

Wednesday 13 November 2019

Tower Board Room Bedford

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| **Present:**  | Sol Miah (Chair)Helen DayGreg GuilfordIan Pryce CBE, Principal & Chief Executive Alasdair SimmonsAndrew SmithVinod TailorCliff Wragg |
| **In attendance** | Caroline Biddle (Executive Director of HR)  |
|  | Pat Jones (Executive Director of Finance)  |
|  | Allan Schofield (Governor) as an observer |
|  | Rachel Nicol (Director of Governance & Clerk to the Corporation)Roy Currie (Director of Information & Learning Technologies)Diane Gamble (Director of Estates & Facilities) |

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| **R/46/19** | Apologies for absenceThere were no apologies for absence |  |
| **R/47/19** | Declarations of interestThere were no declarations of interest relevant to the items on the agenda. |  |
| **R/48/19** | Matters arisingThere were no matters arising not covered elsewhere on the agenda. |  |
| **R/49/19** | **Estates Update**The Director of Estates and Facilities presented the report and highlighted;* Progress with the Zoological Centre, issues encountered and movement of the animals including; actions to monitor temperature regulation,

positive feedback on the project from students and staff with thanks given to Carl Groombridge and the team for their dedication in facilitating completion.* Work carried out on the Brundtland building to minimise the risk of flooding in the winter period
* Controls on Tower Block boilers.
* College House remedial works, work with the local conservation officer and reasons for delays on the work. Assurance was given that the current works are not considered to pose a risk to staff, students or the public.
* Church Street, Wellingborough and progress on tenders and the build. Windows are due to be inserted in the next 3 weeks. Roofing works have now been let. Cameras have been installed to improve site security with no incidents reported since installation.

The Committee discussed;* The cost plan for Wellingborough and nature of reviews. Although costs were noted to require tight control it is believed that the project will be delivered on budget. The limited budget for external works was noted.
* Potential for a Sixth form college in Northamptonshire; it was understood that there is a commitment to open a Sixth form College with co-operation from the local authorities. Work with the local forums and early thoughts on branding were outlined by the Principal.
* Opportunities for work experience within the Zoological Centre and intentions for swapping collections with other establishments.
* Renewal of lease in respect of Brooks Hair and Beauty salon and intention to revisit intended strategy.
* Closure of one unit in Silverstone which had been used for storage.
* Vacation of Rushden premises.
* New lease for Corby town centre IT centre with plans to open in the new year.

**The report was noted.** |  |
| **R/50/19** | **IT Strategy**The Director of Information and Learning Technologies introduced the paper as an update on the current strategic plan. He explained that there is an appetite for a clearer articulation of the College’s vision for use of technology in teaching and learning. He explained the impact of this on the systems and resource requirements to ensure plans are achievable.Two strands were highlighted including;* Forward looking planning for vision
* Maintenance of current infrastructure.

The Director development days had focussed heavily on workload, integration and wellbeing with technology being part of the solution. The potential move from investment in buildings to Information Technology once the current large capital projects are completed was noted to be a key strategic issue.The Committee discussed;* The ability to adapt and adjust to circumstances. The Director felt that this is a strength within the IT department. An example was given as the current project to change the student information system.
* Moves to look at Artificial Intelligence in learning.
* Technology to facilitate meetings across a multi campus College; Teams versus Skype.
* Challenges in recruitment of good staff and relationship with access to good technology. The role of the Learning Technologies team, the capacity to train users and work being done on focus groups with students and staff on planned outcomes.
* The planned learning and teaching working group focussing on IT and progress made. It was explained that work is being done to reignite groups to drive more progress.
* Responsibility for technology in areas. It was confirmed that IT support systems are in place. The agenda for new systems is to be lead through the Systems Development Group with the aim that this will ensure systems implemented are compatible with the broader vision.
* Relationship between equipment and systems; specialist resource within the department with expertise and responsibility for network connectivity.
* Potential strengths in security but also vulnerable points being managed.
* Anecdotal evidence from student and staff on IT provision; need for consistency across the Group but with systems fundamentally working; intentions to review the equipment available.
* The experience of Universities in being required to pay ransoms to release systems and assurance provided by the Penetration Test which will be reviewed by the Audit Committee.

Vinod Tailor joined the meeting**The Committee confirmed they were happy to support the strategy and will monitor its development through the Strategic Planning process.**The Director of Information and Learning Technologies and the Director of Estates and Facilities left the meeting. |  |
| **R/51/19** | **Pensions update**The Executive Director of Finance provided an overview of the Group pension arrangements in a power point presentation including;* Overall structure, cost and the history of contributions.
* General LGPS issues; action to tackle overall deficit and impact on the College.
* Creditor issues and pressure for faster payback.
* The McCloud judgement and confirmation from the Actuaries that there is no material impact on the College.

The Committee further discussed;* Impact on the MTFS; assurance was given that the Government’s TPS contribution for the next 2 years is included and thereafter the full cost has been accounted for.
* The outcome of the McCloud judgement and wider impact on the overall sustainability of the pension fund.
* The consultation with colleges on their future relationship with LGPS. The results have not yet been announced.

**The update was noted.** |  |
| **R/52/19** | **Staff survey**The Executive Director of HR updated the Committee. Headlines from the survey results were provided;* Job satisfaction and happiness at work showing an improvement on previous surveys. The additional work required post-merger was acknowledged.
* Likelihood to recommend has remained static.

The Executive are focussing on 3 key areas including;* Workload, wellbeing and integration.

The results were noted to be as anticipated by the Executive. High level integration was noted to be positive but further development is required to ensure teams across different campuses are “one team focussed”. This is being tackled in terms of;* Use of language
* Stakeholder focus groups
* Involvement of staff in the development of the People Strategy.

Full data analysis is not yet available but further breakdowns between counties and directorates will be carried out where it is considered useful.**The update was noted** |  |
| **R/53/19** | **People Strategy**The Executive Director of HR introduced the report and the methodology. It was explained that the Committee was viewing the governance level strategic document. Assurance was given that there is a more detailed Executive document and the HR team operational plan.6 high level strands were identified.The Committee discussed;* The appropriate content of the document to be circulated to the Board and how assurance will be obtained that actions to deliver the strategy are appropriate and measured.
* Requirement for high level planned actions, key performance indicators and measurements.
* Whether there is an intention to consult with students as a key stakeholder given the values. It was explained that the intended focus is on the workforce. Information is however taken from student surveys and thought will be given to how this feedback is reflected in the strategy.
* The referral to the plan reducing turnover of staff and whether this is an appropriate strategy. The Committee encouraged the need for reflection on whether a higher turnover might secure talent refreshment. Work is being done on the peaks and troughs in turnover to identify the patterns and localised issues.
* The potential links between student feedback and judgement on good performance.

The planned timeline is to produce the final strategy by the end of the academic year. **The Committee endorsed the strategic framework and strands. The Chair will reference the current position in the assurance report to the Board.** |  |
| **R/54/19** | **HR KPI Dashboard** Hard copies were provided to support the electronic dissemination.The following were highlighted;* The approach to quarterly reporting.
* Intention at the end of the first 12 month cycle to add a comparison to the same time in the previous year.
* Intention to develop the benchmarking analysis.
* Key areas in the analysis available and required.
* Discussions at Executive on the level of detail required.

The Committee discussed;* Annual review of age and ethnicity and merit in moving to an annual review.
* Turnover in subsidiary companies, BCS Limited in particular.
* Onus on managers caused by higher turnover, particularly in teaching staff; need to consider impact on continuing staff.
* Ability to track reasons for leaving and intentions for exit interviews.
* Intentions to analyse the data further.
* Improvements in the recruitment process.
* Impact of BCPS contracts and hourly rates; Assurance was given that there are no equal pay / equal value issues that have been identified.

The Committee welcomed the analysis and will continue to consider the appropriateness of the KPIs in the context of the current strategic plan and development of the new plan. Previous concerns with data and how these have been resolved. It was confirmed that the data used in the report has been provided since April to ensure accuracy and confidence in the data going forward.The Committee questioned how associates are operated and the variability of use across the Group. Associates are noted to be included in the data on sickness absence. The relevance for the KPIs and the management in the budgets is being considered.The number of vacancies in BCPS was confirmed to relate to full time equivalents.**The report was noted.** |  |
| **R/55/19** | **Confirmation of the Pay Award**The Principal introduced the item and confirmed that the HR team have modelled the pay award and this has been reviewed by Executive.The current model is based on 2 percent rise for Grades 1 and 2 for performance related pay. Progression payments and their operation for staff on lower scales were explained; such payments are not contractual but can be achieved if a number of criteria are met.It was explained that a final decision needs to be made on the affordability and timing of any progression payments awarded.The intention is that scales for 2019-2020 will also be increased to ensure employees at the top of their scale receive the rise awarded through PRP.The Executive Director of Finance was asked to explain the cash pinch point in March and the potential impact. Assurance was given on the oversight of the banking covenant and management of the cash position. The availability of additional financial facilities was highlighted but noted not to be required. The Committee discussed;* The options for payments and financial assurance.
* The potential for harmonisation and operation of scales across the counties.
* The potential to review BCS and BCPS frameworks for pay and impact on the Group. The Executive Director of HR will review the overall Group position and how lines can be defined and clarity achieved on the rationale for different terms where they exist.
* Confirmation that the budgetary gaps referenced in July have been closed.

The Committee endorsed the approach to process the performance related pay increases with a further review to be carried out by the Executive on progression payments.**The report was noted** |  |
| **R/56/19** | **I-Trent review**The Executive Director of HR summarised the report. The development of report writing functionality was noted.The Committee discussed;* The potential for planning a future transition and potential impact on staff of changing systems.
* Updates in May 2020 with review in January 2021.
* Potential for review of the contract – early launch of alternatives to be able to commercially assess the options.
* Priorities for work in the HR team and whether there is any merit in further communication.

Assurance was given that there is no immediate risk to the running of the services to The Group but there will be a continued review of possible solutions.**The report was noted.** |  |
| **R/57/19** | **Payroll provision**The report was presented. The options, considerations and costs were explained. The recommendation was made to work towards bringing payroll in house. It is believed that the transfer will ultimately improve the service to staff with greater access to payroll staff.Internal audit has reviewed the proposal and resource required. The planned team will be a payroll and systems team to ensure system development. The target date will be 1 April 2020 but it was recognised that contingency planning is required in the event the date cannot be met. The Committee discussed;* Current process for Bedford staff and interaction with Bedford Borough including checks and controls and risks inherent in the data.
* Segregation of duties and need for more staff to ensure risks are mitigated.
* Hosted nature of the system and security.
* Relationship with other elements of the HR function
* Petty cash expense management.
* Approach to subsidiaries and associated undertakings.
* Notice required on the contract and how it will be managed by the Financial Controller
* The management of the transition.
* BACs fees and how they impact the operation.
* Impact on the I-Trent contract and on LGPS payments

Although the decision was noted to be an operational one but with strategic implications the Committee supported the approach being taken. |  |
| **R/58/19** | **Monitoring of associated undertakings**The Committee confirmed they had read the report at agenda item 14 and the legal advice attached to the report. The Director of Governance highlighted;* The background to the relationship and the fact that BCAT is a separate legal entity.
* The terms of reference of the Resources Committee
* The decision to procure legal advice around the provision of services by Bedford College to BCAT
* Key points from the advice including the obligations on the Corporation and their accountability to ensure they act in the best interests of the College.
* The recommendations in the report and the rationale.

The Committee discussed;* How costs are currently accounted for and recovered and how full cost recovery might be supported.
* Conflicts of interest and how these are managed.
* Sponsorship of BCAT and benefits to the College.
* Risks to the College and how these are managed.

The Committee supported the recommendations at paragraph 12 of the report save that it was considered unnecessary to procure further advice from the auditor at this time.***The recommendations and actions agreed therefore included;**** ***Bedford College finance team to consider charging arrangements and propose details for the completion of the Service Level Agreement that will provide the evidential basis to support compliance with the regulations.***
* ***Bedford College finance team to support BCAT in making the necessary reports to the ESFA under paragraph 3.5 and provide the necessary assurances.***
* ***Bedford College Executive to be asked to name an individual at a senior level in the College, who is not involved in the provision of services, as a “Contract Manager” to oversee the finalisation of the agreement on behalf of Bedford College and ongoing provision of services. The individual should be accountable for resolving any issues and concerns regarding the provision of services and be responsible for the assurance reports set out below, not only for BCAT but also for any other associated undertakings.***
* ***Agreement of the Corporation to share the advice report with the board of BCAT and the board of BCS Limited.***
* ***Bedford College Executive led by the “Contract Manager” to be asked to establish an assurance matrix setting out the information and level of review required at Executive, Committee and Corporation level to satisfy the regulatory requirements on related party transactions from the College and also from the BCS board as a group company.***
* ***Bedford College Executive to be asked to provide a report to the Corporation to address the points raised in paragraphs 2.28 to 2.34 of the advice report in relation to; assurance on the fit of activities with the College’s principle powers and strategic plan, ongoing assurance that the provision of services to BCAT is in the best interests of the College and that the activities constitute an effective and efficient use of resources.***

**The report was noted**Andrew Smith left the meeting. |  |
| **R/59/19**  | **Bedford College Group SARs**The SAR reports and Quality Improvement Plans had been circulated. A number of governors had been involved in the moderations. Directors in attendance provided updates on progress against their QIPs.The Executive highlighted an ongoing discussion on the cost and value of SARs for the support areas. Historically only curriculum areas were reviewed. It was suggested that consideration be given to a 3 year review with a need for significant external perspective. The potential for departments to review each other will be considered with action plans then developed by departments.Apprenticeships had benefitted from external focussed reports which had proved effective. The Executive will continue to review the process.**The reports were noted.**Allan Schofield and Alasdair Simmons left the meeting |  |
| **R/60/19****R/61/19****R/62/19****R/63/19** | **Employee Relations (confidential)****Nomination of Vice Chair**Alasdair Simmons had agreed to be Vice Chair and his appointment was endorsed.**Annual Report of Resources Committee**The report was reviewed and recommended for submission to the Board**Minutes and the action plan**The minutes of the meeting held on 17 June 2019 were noted to be an accurate record of the meeting. The action log was noted and it was agreed that the Director of Governance & Clerk will continue to work with Chairs to close off actions. |  |