**Minutes of the Resources Committee**

**Wednesday 17 June 2020**

**Video Conference Microsoft Teams**

**3.30pm**

|  |  |
| --- | --- |
| Present: | Sol Miah (Chair)  Alan Carvell  Greg Guilford  Helen Day  Ian Pryce CBE, Principal & Chief Executive  Cliff Wragg |
| In attendance |
|  | Caroline Biddle, Executive Director of HR  Diane Gamble, Director of Estates & Facilities |
|  | Pat Jones, Executive Director of Finance |
|  | Allan Schofield (Governor) as an observer |
|  |  |
|  | Rachel Nicol, Director of Governance & Clerk to the Corporation |

|  |  |  |
| --- | --- | --- |
|  |  | **Action** |
| **R/31/20** | **Apologies for absence** |  |
| Apologies were received from Vinod Tailor and Andrew Smith | | |
| **R/32/20** | **Declarations of interest** |  |
| Alan Carvell is a non-executive director of BCS Limited (a wholly owned subsidiary of Bedford College) | | |
| **R/33/20** | **Matters arising** |  |
| The Committee had received the memo from the BCS Board setting out the headlines for the impact of Covid-19 and operations and the resulting approach to budget setting. The BCS budget is included in the Group’s consolidated budget.  Clarification was given on the background to the departure fee included within BCS’s position.  Progress on the project to look at the potential for a Northamptonshire Sixth form was questioned. It was confirmed it remains an objective but other activities are currently being prioritised. An update will be brought to the Board when a proposal is developed. | | |
| **R/34/20** | **Estates Advisory** |  |
| The Director of Estates and Facilities attended and provided highlights of the report updating the Committee on Estates matters. Previous problems reported on temperature control management in the animal centre at Shuttleworth have been resolved and the animals are being returned.  Student involvement in the construction of block work had been successful but due to Covid-19 and lock down they had been unable to undertake redecoration and this is being completed by contractors.  The Wellingborough project is on track for opening in September with works let. Construction has continued with enhanced health and safety and social distancing. The Committee sought and was given assurance on the safety of cladding being installed and the approval of the building regulator.  The Committee discussed preparation of the campuses for re-opening and how this is being managed. Changes have included signage on direction of travel and social distancing, installation of screens, provision of PPE where relevant, deep cleaning and hand sanitisation and re arrangement of classroom space at the Sixth form in particular. Further work on arranging classrooms will not be carried out until further guidance is issued on the social distancing requirements for September. The move from 2 metre to 1 metre social distancing increases the potential capacity from one third to circa 75%.  The need for the College to determine its own objectives for the delivery of education and understand the DfE objectives was noted to be key to facilitating planning.  The Chair of the Corporation outlined the governance plans over the summer to ensure decisions can be taken at an appropriate level including written resolutions and Chair’s action as required.  The Committee was updated on the report presented to the QSA Committee and in particular the assurance around student support operations during lock down.  Staff confidence in returning to work was raised and the Executive Director of HR outlined the numbers of vulnerable staff and the approach being taken to manage individuals’ concerns. A well-being survey is being undertaken to provide further intelligence. Information is also being shared with staff on changes to campuses in advance of staff and students returning.  The Committee further discussed whether there is considered to be an opportunity to renegotiate contracts and leases in due course to obtain more favourable terms and the position will be monitored.  The Committee commended the work to date and in particular the assurance provided in the report.  **The report was noted.**  The Director of Estates and Facilities was thanked and left the meeting. | | |
| **R/35/20** | **College Information Report** |  |
| The report for April was presented updating the Committee since the March report was presented in May. The Executive Director of Finance highlighted reductions in commercial income and apprenticeship new starts and the ongoing concerns for these income streams post Covid-19.  Management of the reduction in expenditure to offset the income reduction was outlined.  The Committee noted that under the ESFA criteria the College will remain in outstanding financial health.  The Committee discussed funding opportunities and progress with bids; management of existing contracts and commercialisation. The newly appointed Director of Revenues will monitor all aspects.  The development of an opportunities register suggested by the Board at their development day is being taken forward. It was considered that this will include a range of opportunities including collaboration and new markets. The Committee is keen that the register is coherent and shows clearly the links between different ideas.  The Committee explored how students can be motivated to attend College with the current uncertainties around career and University potential. College expectations on behaviours and attitudes of potential students were considered key.  The potential strength of the sector fit with government plans and the post Covid-19 impact on work placements were outlined. The development of relationships with employer partners are being looked at to mitigate the risk to students. Assurance was given that the ESFA are aware of the issues and regular open meetings are taking place to resolve issues and monitor the requirements of work experience. The College is also looking at the scope for pre-apprenticeship courses to help students who are unable to secure an apprenticeship in the short term.  **The report was noted.** | | |
| **R/36/20** | **Capital programmes** |  |
| The proposed Capital Programme was presented in the May meeting. The changes since the last meeting were outlined and assurance given on the affordability of the capital projects and the cash position. It has been agreed with the Bank to pay back half of the revolving credit facility maintaining some funds to assist in managing the fall in income streams identified post Covid-19.  The plans to revamp the Construction centre agreed to be included in the capital programme were outlined. The works will provide large work spaces and enable the College to deliver skills training on modern building methods. It was however noted that the project cannot progress at the current time without full funding. Opportunities for investment, links with T Level funding and resources from charities are all being explored. The plans were noted to show a vast improvement in energy efficiency in comparison to the existing centre. The Committee noted the positive nature of the plans to support future students develop skills in the construction industry.  Progress is being made on a bid for an Artificial Intelligence programme for Maths and English which maps performance in those subjects through students’ engagement with other subjects.  **Following the review in May and the update received, the Committee confirmed the Capital Programme is recommended to the Board for approval.**  **The report was noted.** | | |
| **R/37/20** | **MTFS** |  |
| Following the review by the Committee in May, the Executive Director of Finance provided a quick overview of how the model isbuilt up from student numbers and market intelligence determining the projected income from which the expenditure base is set.  The Committee questioned how achievable the student numbers are and what contingencies there are. A separate plan on student number targets will be presented to the Board at the July meeting and it was understood that by October the College will know whether the targets are achievable.  Governors had been sent and watched a webinar on the budget setting process and it was understood that the breadth of risk in some areas ranged between 30 and 70 per cent.  It was understood that the commercial subsidiary, BCS Limited, had been particularly impacted by the lock down and will not make a positive financial contribution to the Group in the next financial year.  The range of activity at the College does mean the risk is spread but the Committee understood that particular flexibility is required around commercial, apprenticeship and HE income.  The Committee reviewed in particular the 5 year Group cash balance graph and discussed the flexibility to be able to drive strategies and the relationship between cash and income drivers; The Director of Revenues will focus on maximising income with the MTFS being the financial mechanism to deliver objectives.  A number of colleges are known to be in formal intervention and breaching banking covenants. It is considered that going concerns will be monitored more closely in the sector and is felt to be a risk for a number of colleges. Bedford College is in a relatively strong financial position. The ESFA are reviewing their criteria to monitor financial health and the Executive Director of Finance is involved in the consultation.  The Committee asked whether there is any potential for heritage or other funding. The barriers to heritage funding and requirement for evidence of generating value back to the community were explained. The College may be entitled to access a condition fund to support maintenance of the estate and is currently looking at how the fund is allocated.  **Following presentations at the May and current meeting the Committee recommended approval of the MTFS to the Board.**  **The report was noted.** | | |
| **R/38/20** | **People plans to support the MTFS** |  |
| The Executive Director of HR provided an update on HR plans to support the MTFS. The impact of Covid-19 on the progress of developments to align management reporting in HR to support Finance was explained but the intention remains to have one central record of the establishment to support the allocation of FTE.  Clearer paths have been established for new posts to ensure they are appointed in the right entity within the Group to meet the Group’s objectives.  Use of agency and associate staff in relation to core staff continues to be monitored in the context of the overall staff plans.  **The report was noted.** | | |
| **R/39/20** | **The Bedford College Group and Unions** |  |
| The report was presented setting out the history of Tresham and Bedford’s relationship with the unions and the current position.  The Executive Director of HR meets representatives once a term and unions have been involved in the plans for re- opening with positive feedback on the collaborative approach.  The Committee discussed the importance of the relationship and whether additional channels should and can be developed outside the formal meetings and whether more emphasis should be placed on relationships with local representatives.  The potential benefits of the relationship were outlined as assistance with determining issues with staff who are less confident in raising issues directly. It was considered that a harmonious work force better supports delivery of the student experience.  It was however reiterated that the proportion of staff in Unions is low in the College and FE generally and the College remains focussed on mechanisms to deal with all staff and will continue to ensure there is not a disconnect between Union policy and staff views.  **The report was noted.** | | |
| **R/40/20** | **Employee Relations - confidential** |  |
| **The update was noted** | | |
| **R/41/20** | **Proposed Pay Award** |  |
| The Principal explained the College’s performance related pay appraisal system for pay awards but also the priority for progression payments for staff on lower salaries.  An amount has been included in the budget for awards but the Executive have still to determine the proposed levels and priorities subject to affordability.  The College will continue to monitor other potential benefits to staff through increased flexibility in working practices.  **The update was noted.** | | |
| **R/42/20** | **Decisions under delegated authority** |  |
| The Committee noted there were no decisions taken under delegated authorities since the last meeting.  **The report was noted.** | | |
| **R/43/20** | **Minutes** |  |
| The minutes of the meeting on 14 May 2020 were noted to be an accurate record of the meeting. | | |