

**Minutes of the Resources Committee  
Monday 11 November 2020  
Video Conference Microsoft Teams  
4pm**

Present: Alan Carvell  
Greg Guilford (Chair)  
Ian Pryce CBE, Principal & Chief Executive  
Allan Schofield  
Vinod Tailor  
Amanda Wagstaff  
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/44/20 Apologies for absence**

There were no apologies for absence

**R/45/20 Declarations of interest**

Alan Carvell is a non-executive director of BCS Limited (a wholly owned subsidiary of Bedford College)

**R/46/20 Matters arising**

There were no matters arising not covered elsewhere on the agenda.

**R/47/20 Digital Discussion – Presentation**

The Executive Director of Finance gave a presentation on the College's current position with regard to the digital agenda highlighting;

- Current relevant reports such as the JISC report September 2020 "Shaping the digital future of FE College of the Future Report.
- Discussions at the Executive away day and the shaping of objectives and priorities.
- The case for change and position in the sector.
- System change requirements and the appropriate processes for selection.

- Changes in society post Covid and the impact of digital poverty.
- The relationship between learning platforms, administration, communications and learner management system and the stakeholder input required to maximise effectiveness and connection between systems.
- The relationship of data analytics to the separate areas of the College.
- Need to reflect on staffing and resourcing requirements to support strategic change.

It was noted that the discussion will be taken forward as part of the strategic planning process.

The Committee discussed the relationship between automation of the current systems and the need for more stakeholder engagement in the visionary aspects of the strategy. The balance to be found in progressing system changes at speed and the scope to resolve issues subsequently was discussed. The Committee supported the College in putting itself in a position to learn from the errors of leaders and innovators but also in ensuring it does not lag behind in the sector. It did however support momentum for progress in this area and the agenda will be developed.

Expectations around digital poverty and the need to ensure accessibility to agreed learning models was discussed. Additional financing has been provided in the current year and is primarily being managed through bursary funding. The availability and conditions of “catch up funding” was outlined and hubs have been established at principle campuses. Banks of loan laptops have also been increased. The College will continue to monitor how much of this is going to be taken forward in the long-term post pandemic depending on the level of blended learning.

The Committee analysed how far the College feels it is behind the curve and whether it is in financial terms or intellectual and emotional terms. It was confirmed that all areas are being explored but some systems are better than others.

It was considered that there is potential to fund the changes required by re prioritising the capital programme. It was acknowledged that additional skills and resource will be required to drive the agenda forward and options will be considered.

The pre-conditions for change were noted to include the requirement for robust infrastructure and need to resolve digital policy.

Positive current initiatives were highlighted in terms of use of artificial intelligence and cyber security accreditation.

***The Committee asked the Executive Director of Finance to review the potential to recruit additional support to support the agenda.***

The presentation was noted.

## **R/48/20 National Audit Office report on financial sustainability**

The Executive Director of Finance gave a presentation summarising the report of the National Audit Office (NAO) on the financial sustainability of colleges and the context for Bedford College. The scope of the NAO function was outlined and the current report noted to review the DfE response to the funding challenges.

The findings were limited to pre Covid and had involved consultations with colleges. The key findings were outlined including historic funding cuts and complicated formulae. Conclusions made had been the impact of short-term decision making prohibiting the take up of opportunities and lagged funding preventing the benefit of growth funding being available in a timely manner. The impact of the funding cycle on cash management was outlined.

The Committee considered the impact of area review and financial intervention in colleges generally.

The recommendations of the report included the need for a clear vision and structure for funding and consideration of reforms to the funding system.

The position of Bedford College in the context of other colleges, financial health ratings and the relationship between Ofsted grades and financial health were outlined. Other reports referred to included the Dame Mary Ney report and the Institute of Fiscal Studies – annual report and forward vision of the problems impacting the sector.

The availability of potential future capital funding was discussed but there is no official information available as to how this might be allocated.

## **R/47/20 Estates update**

The Director of Estates and Facilities attended and provided highlights of the report updating the Committee on Estates matters. This included progress on large capital projects such as the zoological centre and Wellingborough campus as well as refurbishment work to various campuses. A potential site for a sixth form in Corby is being explored.

Subject to the receipt of T level and SEMLEP funding work will commence on the Construction centre project to be able to deliver training in modern methods of construction.

Tower Block recladding is being looked at as part of the Town Centre Bid. The College continues to review projects under the decarbonisation scheme with bids due in by 23 November and a deadline of 31 March for completion of the works.

Leases are reviewed in light of changes in provision and space requirements.

Alterations and works necessitated by Covid were outlined including: changes to the buildings and signage, provision of screens, and an additional temporary classroom at Mount Pleasant.

The need to update the Estates Strategy was highlighted and the College is looking to engage a consultant to take this forward. The breadth of the brief and skill sets required to manage the Estates Strategy was raised.

The Committee discussed the need for the digital strategy to link with the Estates Strategy and this was agreed this will be a priority. The Committee questioned whether there are any financial implications from match funding requirements. The Executive Director of Finance outlined the grants being received, the financial commitment from the College and how these are being managed for each project. The Corby Town Fund Board has approved a town fund bid submission which supports the development of a sixth form in Corby.

The Chair of the Corporation raised the need for a full business plan in respect of the development of the Corby Sixth form to be presented to the Corporation and the Committee discussed the appropriate approach to be taken in presenting strategic proposals. The need to look at the recurrent spend, analysis of the reputational risk in particular were highlighted. The Executive Director of Finance has carried out the financial analysis and negotiated a potential rental deal on basis of the projected student numbers. It was understood that the project is also subject to the Corby Town Bid project being approved by the government.

The Corporation had previously supported exploration of the concept of a Sixth form in Northamptonshire and ***it was agreed that a report would be presented to the next Corporation meeting to bring together the market research and the financial plans.***

The Committee commended the Estates team for winning Professional Services team of the year at the TES Awards.

**The report was noted.**

The Director of Estates and Facilities was thanked and left the meeting.

#### **R/48/20 Implementation of People Strategy**

The Executive Director of HR presented the report. As a result of Covid and remote working the priorities had been reviewed. The focus has been on wellbeing with training and information for staff being increased, particularly in respect of mental health. The College has signed up to an AoC Charter and HR are working with the Marketing department on the branding as part of the new website project.

17 objectives out of 30 have been progressed since March with a further 8 being focussed on in this academic year. Focus on management, training in managing people, succession planning framework and links with professional development were

highlighted. During the second year of the plan it is intended that competency and value-based recruitment will be developed alongside the digital agenda.

Quantitative measures at section 4 were discussed with well-being survey results showing an improvement. A survey in January will provide further intelligence as to whether improvement has been retained.

The Committee discussed the work on the employer brand and the anticipated benefits as well as the need for consistency. Imagery will celebrate diversity. The Committee explored the work being done around staff perception of value. The Executive Director gave an overview of the People Strategy in promoting existing benefits and work being done to look at recognition, staff awards and long service. A question will be included in the staff survey consistent with wellbeing questions to enable monitoring. The frequency of monitoring and whether it sits more appropriately with HR or the wellbeing group will be determined.

Historically the College has had a performance related pay regime but it was acknowledged that this will be reviewed in the future.

Previously staff turnover at the Northamptonshire sites had been higher than in Bedfordshire and the Committee sought and assurance was given that this has now stabilised. It was considered to have related to adaptation after merger as well as the subsequent move of a senior member of staff.

**The report was noted.**

#### **R/49/20 Staffing framework**

The Executive Director of HR presented the report and set out the key elements including the comparators between different contracts.

Job families have been identified and teaching and learning roles are being reviewed as a priority.

Harmonisation of hours between Group entities has commenced and consideration is being given to whether agreed changes can be implemented sooner than planned if finances permit.

The Committee was keen to see the comparison of grades across entities to see where roles are related. ***Assurance was given that an equal pay assessment is being carried out for the EDI committee and will be reported on in due course.***

The intention is to transition to one pay band for each job family where this is appropriate.

It was confirmed that every post has an identifiable designated contract. This may result in staff in one Group entity moving to a role within another entity and therefore onto a different contract. The contract type of each role being advertised for promotion will be clearly stated in adverts so that staff are able to assess whether

they wish to apply to that role and thus transfer to the relevant terms and conditions within that contract.

The plan to reduce the overall number of FTEs in line with budgets was outlined and a number of vacant posts will not be recruited to.

Clarification was sought on the application of market supplements and assurance was given that the process is managed through additional allowances to subject areas.

**The report was noted.**

#### **R/50/20 Indicative financial out turn 2019-2020**

The indicative position was presented and the Group position outlined. The impact of the pandemic on BCS Ltd commercial services and one off write offs on the balance sheet were highlighted.

The College continues to be graded as having outstanding financial health under the ESFA criteria.

The pension position has been negatively impacted by performance of the money markets but the College had engaged an actuary and the overall liability has reduced. The position will be carefully monitored but is largely outside the College's control. Although it is forecast that a charge to the Income and Expenditure account in 2021 will impact the surplus it is not considered that insolvency is a risk.

The full set of accounts and management letter will be presented to the Audit Committee.

The Committee discussed the requirements for loans and bank covenants and the relationship with cash. The ESFA are currently reviewing financial health indicators which it is understood will remain consistent except for an indicator on how debt is serviced.

Consultations around pensions were outlined. The take up on the LGPS scheme is 82%, on People's pension 99% and on teachers' pension 88%. ***Further information on the number of pensioners being supported and how the scheme is being funded will be brought to a future meeting.***

**The report was noted.**

#### **R/51/20 Capital programme update**

The paper was presented. The budget was approved by the Corporation in July but changes have been made following further clarification on funding bids.

The key changes were highlighted on Annex A including condition funds from ESFA and plans, inclusion of AI for maths and English and funds for the construction block project with T level income less certain.

Assurance was given that cash flow impact has been mapped out and that sufficient surpluses are maintained to enable investment in the capital programme.

The College has worked with Corby council and gym equipment is to be installed in January with the support of the Accelerate fund.

The Committee explored the methods used by the College in assessing the financial viability of projects including return on capital investment and use of hurdle rates. The Executive Director of Finance explained that the method and process used depends on where the funds are accessed from and the cost benefit analysis required by the funders.

The Executive Director of Finance highlighted the Government launch of a decarbonisation grant also referred to in the Estates update. The College is looking to identify a Cauldwell street scheme including elements such as heat reduction, glazing and river water cooling technologies across a number of buildings. The time constraints were noted. The Committee supported the project and will be provided with an update in due course.

**The Committee confirmed they recommend Annex A to the Corporation for approval and Annex C for noting.**

**The report was noted.**

#### **R/52/20 College Information Report - September**

The KPIs on the summary had been agreed by the Board in July.

Income is slightly above budget and includes catch up funding from the government in relation to Maths and English but with tight deadlines and strict conditions on expenditure.

Early indicative information for the Group was shared. The position for the commercial subsidiary BCS was noted to be stated as before the second lock down.

Expenditure on supplies were high as a result of Covid and the increase in 16-18 numbers who are funded on a lagged basis.

The apprenticeship income target has been reduced and HE numbers are lower than the College would like.

Adult education has benefited from a successful distance learning scheme and is currently projected to meet target.

The Committee discussed the teachers' pension grant and understood more information is likely to be known in November / December time. An update was given

on Executive discussions around HE and the current focus on quality over numbers. The QSA Committee are due to receive a report in their November meeting.

**The report was noted.**

## R/53/20 HR KPIs

Workforce figures at the end of September are close to target once BCS figures are extrapolated.

Staff turnover is less than target but as expected in light of Covid.

BCS Ltd operations are noted to be considered the bigger risk due to their commercial nature being directly impacted by Covid. The company is working in line with the new furlough scheme in relation to employees based in those commercial activities. It was noted that the external caterer previously operating in Northamptonshire had terminated the contract and BCS were taking over the operations. Given the reduced activity the Executive Director of HR will look at the relationship between furlough and the TUPE transfer.

AC on behalf of BCS asked to record thanks to the Executive for the support provided to the Managing Director of BCS Ltd during Covid.

The Committee explored relevant bench marking on staff sickness and the impact of Covid, the number of cases and those isolating. Work with local authorities and Public Health England has confirmed that arrangements are effective and sickness is being managed well.

There has been a reduction in agency staff.

The Committee discussed whether there have been any concerns over the arrangements in place. General anxiety levels and management of concerns were outlined. 9 staff have remained at home due to being extremely clinically vulnerable.

Use of the furlough scheme has been restricted to BCS Ltd and an outline of the numbers impacted and move to flexible furlough were outlined. There is uncertainty currently around the availability of grants.

The Committee requested a line on the dashboard to show performance against budget. ***It was agreed that the forecast FTE will be included but CB and PJ will determine how to split.***

The Committee asked about the staff morale generally. Government communication and society value was highlighted. Anecdotal evidence was provided on the positivity around the management of the situation and the respect for ensuring delivery. The maturity of the staff was commended. Examples of positives on communication, teams and responsiveness were given. IP is looking at own attendance and the ability to visit different campuses. ***The governors asked for consideration to be given to them attending on site when it is considered appropriate.***

#### **R/54/20 Confirmation of pay award**

IP set out the background to the planned award. The Executive has agreed to prioritise security of employment over pay rises and the date of the pay award is planned to move to 1 December 2020 without back dating.

The intention of the Executive is to maximise the consolidated pay award for eligible staff. It has also been considered that a standard award will be made without regard to the performance grade to reflect the team effort during Covid. The Executive had concluded that the award of attendance vouchers made in previous years is not considered appropriate in a pandemic and the money from those awards and the Cinderella bonus (money for staff to arrange a social event in teams) will be rolled into the consolidated award. This will be a permanent change, which will support maximising the total amount we are able to increase staff salaries by each year.

More people will be included in scope and affordability of a 3% award is considered manageable. BCS Ltd manage their own arrangements. Assurance was given that the planned figures are included in the income and expenditure projections.

**The Committee endorsed the approach.**

#### **R/55/20 Self-assessment reports**

The support area self -assessment reports had been included in the pack for information.

Anecdotal evidence from those attending the meetings provided assurance that the meetings were robust.

The Committee discussed the presentation of EDI objectives in the SARs and where they are implied or explicit. The Vice Principal leading on the SAR is reviewing with the Director of Quality, teaching learning and assessment how this can be managed though the SAR process going forward.

**The report was noted.**

#### **R/56/20 Decisions under delegated authorities**

The report was presented by the Director of Governance and confirmed that the Chair had noted the outcome of the due diligence and the acquisition of Aston Recruitment & Training on 30 September.

**The report was noted.**



#### **R/57/20 Employee relations**

No further information had come to light since the last meeting

#### **R/58/20 Nomination of Vice Chair**

Committee members were asked for expressions of interest in the role of Vice Chair of the Committee to be provided to the Director of Governance.

#### **R/59/20 Annual report 2019-2020**

The report provided by the previous Chair was noted and will be presented to the Corporation in due course.

#### **R/60/20 Minutes and action log**

The minutes of the meeting on 17 June 2020 were noted to be an accurate record of the meeting.

The action log will be updated by the Chair and Director of Governance.

#### **R/61/20 Any other business**

The Committee sought assurance around the Brexit arrangements and position of EU nationals working at the College. It was reported that there is not a significant number of EU nationals but HR are advising as appropriate. ***The Executive Director of HR is preparing a brief paper on Brexit for the EDI Committee and this will be shared with the Committee at a future meeting.***

Further issues discussed included;

**Kick start scheme** – The College has circulated information to management and expressions of interest have been made. The scheme is being piloted in one area in the adult education area who already support employers with similar schemes. The first employees are due to start in January.

Christmas closure and residential provisions. Although universities are shutting early no relevant announcements have been made for the College

#### **R/62/20 Next meeting**

The next meeting will take place on 1 February 2021