**The Corporation of Newham Sixth Form College**

**Finance & Resources Committee**

**Minutes of the Meeting held on 1 March 2023**

**Members**

|  |  |  |
| --- | --- | --- |
| Kate Towner (Chair) | Independent Member | Present |
| Mandeep Gill | Principal & Chief Executive | Present |
| Martin Rosner | Independent Member | Present |
| Federico Valori | Independent Member | Apologies |
| Graham Willson | Independent Member | Present |

**Non-Members in attendance**

|  |  |  |
| --- | --- | --- |
| Susanne Datta | Executive Director Human  Resources & Organisational Development | Present |
| Michael Gainlall | Vice Principal Finance & Operations | Present |

*Note: apart from Items 1 and 2, the minutes are in the order the items were taken.*

###### APOLOGIES FOR ABSENCE

Apologies were received from Robin Jones, Clerk to the Corporation, who was off sick following an operation. Exceptionally, because of the absence of the Clerk to the Corporation, Martin Rosner drafted the minutes.

The meeting was quorate from the beginning.

###### DECLARATION OF INTERESTS

The Members confirmed that there were no declarations of interest to be recorded on this occasion at this stage of the meeting based on the published Agenda.

**3. EDI ANNUAL REPORT**

The Committee noted that the report was in a different format this year in order to link it more closely to the College’s strategic objectives. It was also noted that the report now included the most recent gender and ethnicity pay gap data.

The Executive Director Human Resources & Organisational Development reported that there were no significant changes to the data when compared with the previous report.

In reply to a question, the Executive Director Human Resources & Organisational Development said that key priorities for the forthcoming year would include training and that, with the new HR database, more recruitment information would be available. The Executive Director Human Resources & Organisational Development also explained that the 10 Point Plan (which had been adopted by the College) related to the plan developed by the Black Leadership Group to address issues around antiracism and that training on its implementation would take place during the Summer Term.

It was agreed to note the report.

The Committee AGREED:

1. Any significant changes to the data should, in future, be added to the front sheet; and
2. Where appropriate tables should be used in future reports instead of charts.

###### HR POLICIES

###### It was noted that the Articles of Government (Article 16) required the Corporation to approve the College’s Grievance Procedure and policies/procedures relating to the dismissal of staff. The reports presented to the Committee were in those categories.

###### A member said that he had a number of questions relating to the policies/procedures and it was agreed that these should be emailed to the Executive Director Human Resources & Organisational Development who would respond. If the point raised resulted in a need to change any of the documents, it was noted that there needed to be consultation with the recognised trade unions.

###### The Committee AGREED to approve the policies but if the questions raised resulted in a need to change any of the documents, the policies affected should come back to the Committee after consultation with the recognised trade unions.

###### 5. MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE HELD ON 30 NOVEMBER 2022

The Minutes of the meeting of the Finance & Resources Committee held on 30 November 2022 were agreed to be a correct record.

###### MATTERS ARISING FROM THE MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE HELD ON 30 NOVEMBER 2022

The Committee noted that there were no matters arising from the Minutes of the meeting of the Finance & Resources Committee held on 30 November 2022 which were not covered by the published Agenda.

###### KEY PERFORMANCE INDICATORS APPROPRIATE TO THE FINANCE & RESOURCES COMMITTEE

###### It was noted that the data relating to the ESFA headcount was not the same as the first return submitted to the EFSA. This was because the first return was submitted in December. It was also noted that borrowing at 0% reflected the fact that the bank loan had been repaid in full.

The Committee AGREED to note the report on the KPIs.

###### MANAGEMENT ACCOUNTS – DECEMBER 2022

The Committee received the Management Accounts for December 2022 (Period 5 of 2022/23).

The Vice Principal Finance & Operations reported that staff costs were significantly lower than the budget and that this was partly due to the fact that the 2022/23 pay award for teaching staff had not yet been agreed/implemented and that agency costs (which were likely to be higher than budgeted for) were not up to date. He reported that cash flow was healthy,

It was confirmed that the forecast figures in this set of accounts had not yet been updated but that changes to the forecasts would be made for January accounts onwards. In response to a question from a member, the Vice Principal Finance & Operations explained that the Income and Expenditure Reserve figure included both cash and non-cash items.

It was also noted that there might be some further adjustments arising out of the closure of the 2021/22 accounts.

It was also noted that the New Build Group had agreed that a comprehensive reserves policy should be introduced, taking into account the costs of building work to upgrade the site.

The Committee agreed to NOTE the Management Accounts for December 2022 which would now be made available to all Members of the Corporation for their information.

The Committee AGREED to consider the proposed reserves policy at its next meeting.

###### ESTATES UPDATE

The Committee received the report of the Vice Principal Finance & Operations which provided an update on changes and improvements to the Estate.

The Chair of the New Build Group commented on the progress made to improve the reception area.

It was reported that the New Build Group had received an update on the redevelopment of the site in the light of the decision reached to upgrade rather than rebuild. It was noted, in particular, that:

1. Essential fire safety upgrading was needed and, although, it was hoped that a substantial part of the costs would be covered by a grant, it was necessary for the work to go ahead even if financial support was not forthcoming; and
2. Full planning permission needed to be sought to make the two blocks with temporary planning permission (BU and G) to be granted permanent planning permission. In order to get full planning permission, it was likely to be necessary to make some improvements at a cost of ca £400K to £600K (as opposed to ca £2 million for a full replacement) but no upgrading costs would need to be incurred unless and until full planning permission was granted.

The Committee AGREED that, in order to make progress on the essential fire safety upgrading, this should be handled via the written resolution process as soon as possible.

1. **HEALTH AND SAFETY UPDATE**

The Committee received the report from the Vice Principal Finance & Operations.

After discussion, the Committee AGREED that a report on proposed KPIs (including, for example, risk assessments, PIPs and health and safety inspections) should be brought to the next meeting of the Committee.

1. **DIGITAL STRATEGY**

The Vice Principal Finance & Operations reported that he had discussions with Federico Valori on the contents of the proposed strategy. It had been decided to adopt the digital evaluation tool recommended by JISC which would provide a comprehensive assessment of where the College was at in relation to the strategy. It was not yet known how long it would take for this approach to be implemented as there had been some delays due to key staff leaving.

He also reported that substantial measures had been taken to improve cyber security.

The Committee NOTED the report and AGREED to adopt the evaluation tool.

1. **SUSTAINABILITY**

The Committee NOTED the report on carbon emissions including the fact that there had been some reduction because of the use of more green energy.

1. **BUDGETING PROCESS**

The Vice Principal Finance & Operations outlined the process which included the following steps:

* Agree the curriculum and business plan
* Agree, from the proposed courses, the teaching staff requirements
* Carry out a budget review for each curriculum and support area

By the time that this was done, the College would know the indicative ESFA income. At present, unknown factors included the staff award for 2023/24 and energy costs.

The Finance and Resources Committee would be asked to consider the budget and make recommendations to the Corporation.

The Committee NOTED the budgeting process.

1. **WRITTEN RESOLUTION TO ENHANCE IT SECURITY**

The Committee NOTED that, in line with financial regulations, the Chair of the Corporation and the Chair of this Committee had approved the proposal to spend £83,274 per annum (including VAT) on the Darktrace cyber security system.

1. **ANY OTHER ITEMS OF URGENT BUSINESS**

The Committee AGREED to consider three items of other business:

* Energy Procurement
* Support to students during the cost of living crisis
* Enhanced Redundancy payments

Energy Procurement

The Vice Principal Finance & Operations reported that the current arrangements for energy procurement via a consortium were coming to an end but that little progress was being made to agree arrangements for continuing the arrangements. He said that he had been investigating other approaches which had been used successfully be other Colleges including Bsix 6th Form College. This approach would be via a brokerage service using the NGP Flexible Procurement Contract. Under this arrangement, there would be a ceiling price but the College could also benefit if prices fall.

After discussion, the Committee AGREED subject to confirmation that it had authority to enter into the proposed contract without full Corporation approval:

1. The procurement of electricity and gas using the NGP Flexible Procurement contract for a period of four years starting from the end of the current contract.
2. That the Principal and Vice Principal are given the authority to approve the contracts offered by NGP
3. That the Vice Principal Finance and Operations is given the authority to sign the gas and electricity contracts offered through NGP.

*(note: following the meeting it was confirmed that the Committee had the authority to agree the revised arrangements without full Corporation approval)*

Support to Students during the Cost of Living Crisis

Following a request from the Corporation, the Vice Principal Finance and Operations reported that SLT had considered various ways of supporting students during the cost of living crisis. The actions introduced, which had been reported to the Chair of the Committee and the Chair of the Corporation were:

1. An increase in the allowance to students eligible for free school meals from £2.41 (the government allocation) to £3.50, an increase of 45%.
2. To help all students as there may be those who do not receive FSM but may need support, the introduction of a free morning snack, normally consist of a croissant, a piece of fruit and a bottle of water, tea and coffee with students able to help themselves to as much as they would like in the morning between 8.15 and 8.50.

These arrangements would be in place for the rest of this academic year with the costs being met, in the first instance, from the bursary fund and then subject to review.

The Vice Principal Finance and Operations reported that these arrangements had been well received and were well used.

The Committee WELCOMED their introduction.

Enhanced Redundancy Payments

The Principal informed the Committee that, arising from possible changes to the staffing due to as reduction in income in 2023/24, it may be necessary to offer enhanced redundancy payments to staff affected and that any enhancement to the statutory payments would require Committee approval.

The Committee AGREED that this could be done by way of the written resolution process.

1. **CALENDAR OF MEETINGS – 2022/23**

The Committee NOTED that the next meeting was scheduled to be held on 28 June 2023 at 4.00pm

1. **CONFIDENTIAL ITEM OF BUSINESS**

The Committee noted that the minutes of the one confidential item of business would be presented separately.

Chair: Date: