



**CALDERDALE COLLEGE  
FINANCE AND RESOURCES COMMITTEE MEETING**

**Minutes of the Meeting held on 17 September 2020 by MS Teams**

**Present:**

Malcolm Rogers	External Governor & Chair
Peter Clark	External Governor & Chair of the Corporation
Pat Drake	External Governor
Fiona Armer	External Governor
Andrew Wright	External Governor
John Rees	Principal & Chief Executive

**In Attendance:**

Sharon Bowker	Executive Director (Finance & Funding)
Rob Rawlinson	Director of Operations (for Item FR/20/137)
Ebrahim Dockrat	Director of Commercial Services and Partnerships (for Item FR/20/138)
Jane Taylor-Holmes	Clerk

***Agenda: No items of other business were added to the agenda.***

<b>Min Ref.</b>	<b>Minutes</b>	<b>Action</b>
1	<b>FR/20/132 - Apologies for absence</b>  There were no apologies for absence, all members were present.	
2	<b>FR/20/133 – Confirmation of eligibility, quorum and declarations of interest</b>  No notice had been received of any member becoming ineligible to hold office. The meeting was quorate and there were no declarations of interest in agenda items.	
3	<b>FR/20/134– Appointment of Chair 2020/21</b>  <b>Resolved; Malcolm Rogers was appointed Chair of the Committee for 2020/21.</b>	

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4  5	<p><b>FR/20/135 – Minutes of the meeting held on 2 July 2020</b></p> <p>It was noted that the meeting was held via Microsoft Teams, it was agreed that this would be amended on the minutes.</p> <p><b>Resolved:</b> subject to the amendment, the minutes of the meetings of 2 July 2020 were approved as a true and accurate record.</p>	
6  7	<p><b>FR/20/136 – Matters arising</b></p> <p>In relation to action in relation to feedback following the Curriculum Self-Assessment process, it was noted that this would now be reported to the Committee in March 2021 as a new SAR process was due for completion by the end of November 2020. This would be added as a new action.</p> <p>All other matters arising were complete or for completion at a future meeting.</p>	<p><b>Action: Mrs. S. Bowker March 2021</b></p>
8  9  10  11	<p><b>FR/20/137 – Estates update</b></p> <p>Committee members welcomed Rob Rawlinson, Director of Operations.</p> <p>Rob Rawlinson provided a presentation to Committee members providing an update on estates and premises. The presentation provided an overview of structure of the team. It was noted that all staff were now in post; the Maintenance Manager was the final post to be filled around four months ago. In relation to the Soft Service facilities management company, Rob Rawlinson explained that this had proved an efficient way to deliver the services and there was a single point of contact for all services on site. It was noted that the management of the Reception team was also undertaken by the Facilities Management service.</p> <p>Committee members noted the overview of the premises and the details provided about the asset and where any investment is needed.</p> <p>Committee members also noted the areas where there may be potential to utilise the recently acquired Government funding to complete any work. It was noted that £693,000 had been allocated to the College and that work was required to be completed by 31 March 2021.</p>	

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12	There were specific criteria as to what work could be undertaken utilising the funding.	
13	<p>Comments made included:</p> <ul style="list-style-type: none"> <li>• Z floor is a basement area</li> <li>• The roof renewal of PWC would be a significant project to undertake due to the timescales and may not be a project which could utilise the funding.</li> <li>• Some Government funding may be used to complete remedial work on the stone cladding.</li> <li>• Some of the Government funding may be used to lag pipes</li> <li>• In relation to the perimeter wall and fencing, a planning application had been passed for the North part of the Campus perimeter. Government funding may be applied to this project.</li> <li>• It was currently being explored whether the Government funding may be utilised for the removal of asbestos. It was noted that there was an asbestos register in place.</li> <li>• LED lighting had been explored on a number of occasions. This may be an area to utilise the Government funding, which may result in continued energy savings.</li> <li>• Committee members discussed the potential to use building management systems to reduce energy costs.</li> <li>• Due to the commercial element of the 3G sports pitches, the Government funding could not be utilised to replace the pitches.</li> <li>• The Government funding may be utilised to improve CCTV coverage. This would improve the safety of the site.</li> </ul>	
14	Committee members asked what the cost was for backlog maintenance and how the work was prioritised.	
15	Rob Rawlinson confirmed that work was triaged and work required to satisfy fire requirement, health and safety or other legislation was prioritised.	
16	Andrew Wright asked whether there were any grants available for the LED lighting. This would be considered further with the LEP. The SALEX 0% financing option would also be considered.	<b>Action: Sharon Bowker November 2020</b>
17	Rob Rawlinson confirmed that contractors had been contacted in relation to the work and a schedule was being	

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	<p>established to ensure that the funding can be utilised within the constraints required. It was noted that the contractors to be used would be engaged through a procurement framework which would reduce the time required for formal tenders and was the quickest way to commence the projects.</p> <p>17 It was noted that many Colleges complete building and maintenance work during the summer break or in other holidays when students were off site. The constraints in relation to timing were being fed back nationally to the ESFA.</p> <p>18 It was agreed that a schedule of refurbishment would be established which would be RAG rated with a long-term plan for projects. This would be reported to the Committee.</p> <p>19 In relation to fire safety systems it was noted that there had been an upgrade of the fire detection system, with the system linking all buildings together and allowing for the radio systems to be linked. The system allows for a period of investigation should a single detector be activated. The fire service had been consulted on this change.</p> <p>20 The sensory space/room had now been completed and was coming online for use.</p> <p>21 In summary, it was noted that there was significant backlog maintenance work to be done on the PWC building. Work was continuing to schedule the utilisation of the grant where the criteria were met; however, there were concerns about the tight timescale. A further report would be provided to the November meeting confirming what was likely to be able to be funded through the grant and what could be completed through the long-term maintenance budget, what would need to be funded out of the current budget and the value of the anticipated funding shortfall.</p> <p>22 In relation to responding to COVID-19 it was noted that work continued to respond to changes and updates in the local area and nationally.</p> <p>23 <b>Resolved:</b> The Committee noted the report.</p>	<p><b>Action: Rob Rawlinson March 2021</b></p> <p><b>Action: Sharon Bowker November 2020</b></p>
	<b>FR/20/138 – Commercial and Partnerships</b>	

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	<p><b>External Funding</b></p> <p>24 Ebrahim Dockrat presented a report providing an update on external funding contracts.</p> <p>25 The Committee noted that SSW 2019-21 contracts commenced in April 2019 and despite the impact of COVID-19 the projects were on target. Predictions had been outperformed for the period of June to August.</p> <p>26 Growth was anticipated in the current contracts and contract delivery had been extended to March 2023.</p> <p>27 In relation to Sheffield City Region – Skills Bank, the Committee noted that this is not subject to ESF type performance management rules and was funded on an annual allocation of profile delivery as agreed.</p> <p>28 The Committee also noted that notification had been received that bids for DWP ESF Open Calls (Yorkshire, North Yorkshire and East Riding) had been successful and that recruitment and initial set up is underway. Bids for three further contracts had been submitted; two had been appraised and were now in the system to be approved. Two were in relation to apprenticeships and there is one further project which is a smaller version of the skills service project.</p> <p>29 There had been a number of additional contracts awarded to the value of £1.3m. Committee members noted the 'Let's Talk Real Skills' to support small businesses to purchase new technology and improve their own capacity and capability. Committee members were pleased to note at the year end the out-turn had resulted in the re-forecast contribution targets being exceeded.</p> <p>30 There were no issues to report in relation to audits; however there were some ESFA and DWP audits planned in the coming months.</p> <p>31 Committee members commended the external funding team on the improved position and performance in this area.</p> <p>32 <b>Resolved:</b> The Committee noted the report.</p> <p><b>External Funding – Sub Contracting</b></p>	

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33	Ebrahim Dockrat presented a report on current sub-contracting as at September 2020.	
34	<b>RESOLVED:</b> to confirm to the Board at its October 2020 meeting that all sub-contractual arrangements for non-core provision meet the strategic aims of the College, enhance the opportunities and quality of the training offer and are of high quality and low risk.	
35	<b>RESOLVED:</b> to recommend to the Board at its October 2020 meeting the updated list of subcontractors for non-core provision.	
	<b>Subcontracting Rationale</b>	
36	The Committee considered the sub - contracting rationale. It was noted that this was required only in relation to ESFA funded activity.	
37	It was noted that this required publication by the 31 <sup>st</sup> October 2020.	
38	<b>RESOLVED:</b> The Committee agreed to recommend the sub – contracting rationale to the board on the 15 <sup>th</sup> October 2020. Following approval this would be signed by the chair of the corporation.	
	<b>FR/20/139 – Recruitment 2020/21 update</b>	
39	Sharon Bowker provided an update on recruitment for 2020/21.	
40	It was noted that the pattern of recruitment was very reflective of the sector, with higher-level late enrolment than in previous years.	
41	There had been further enrolment with 16-18 learners actual enrolments currently 1523. When adding the Princes Trust learners and project challenge learners the figures are in line with the curriculum plan in this area.	
42	There would be a continued focus on the retention of students and it was noted that recruitment continued.	
43	In relation to 19+ learners enrolment continued throughout the year. There were currently 160 community learning enrolments being processed which would also significantly improve actual enrolments against the	

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44	<p>curriculum plan.</p> <p>In relation to HE learners a further enrolment session was planned and it was hoped that the curriculum plan figures would be exceeded.</p>	<p><b>Action: Sharon Bowker November 2020</b></p>
45	<p>Sharon Bowker explained that there had been over-recruitment in the access to healthcare area, it was likely an additional two classes would be required, with over 40 more learners already enrolled than originally forecast in the original curriculum plan.</p>	
46	<p>In relation to apprenticeships a number of learners from elsewhere had been referred to the College by the ESFA. This was required to ensure students completed their apprenticeship. It was agreed that a recruitment update would be provided to the November Committee meeting.</p>	
47	<p>In summary, it was agreed that there was a reasonable expectation that curriculum plan figures would be achieved. Committee members were pleased to note recruitment in HE.</p>	
48	<p><b>Resolved:</b> The Committee noted the report.</p>	
	<p><b>FR/20/140 – Financial Performance Report</b></p> <p><b>Management Accounts to 31 July 2020</b></p>	
49	<p>Sharon Bowker presented the management accounts up to Period 12 (end July 2020).</p>	
50	<p>Committee members noted that the position had improved and the operating deficit of £585,000 was better than the reforecast deficit of £674,000.</p>	
51	<p>A government announcement regarding AEB clawback was awaited and there had been a provision for a small clawback if this was required.</p>	
52	<p>Committee members noted the two main contributing factors for a lower than forecast deficit (there had been significant non-pay savings with regard to energy savings as a results of the college being closed longer than anticipated and a favourable variance on depreciation) and</p>	

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	noted a third was over performance in the external funding area resulting in an improved contribution.	
53	Cash at year end was healthy at £8,297k. This resulted in a positive variance to year-end projections, as there was approximately £4m cash being received in advance.	
54	Committee members asked how the College compared to others in the sector. Sharon Bowker explained that other finance directors were not sharing information as they had in previous years so this was unknown. The position would become clearer when financial statements were published.	
55	Committee members noted key variances within the report, noting that both external funding and apprenticeships had performed better than anticipated.	
56	Pay costs currently represented 70% of expenditure which was slightly higher than the recommended 63-65%; this was not due to the lack of management of pay costs but due to a decrease in income. It was noted that there was a need to ensure that a decrease in income is offset with a decrease in expenditure.	
57	Expenditure had been reduced due to the buildings being closed during lockdown; however this would be offset by money spent on PPE and increased IT requirements. There had been additional funding allocated to technical support to ensure continued operation in lockdown.	
58	Committee members noted the improvement in the report design and the simplification of the data provided. It was noted that this would be further developed over the coming meetings.	
59	In summary, the year end results were better than forecast due to a favourable variance on depreciation and better than expected performance in some areas. The cash balance continues to be healthy even when the payments in advance are removed.	
60	It was noted that due to the healthy cash position the	



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61	<p>College did not qualify for any additional emergency funding.</p> <p><b>RESOLVED:</b> The Committee noted the report.</p>	
62	<p><b>FR/20/141 – Data Protection Report</b></p> <p>The Committee noted that there had been a number of cyber security attacks within the sector. The College had been subject to a number of phishing emails and was currently investigating whether there was any requirement to report any potential data breaches to the ICO.</p>	
63	<p>Action planned included the implementation of a two-factor authentication process for staff to access all systems. A cyber security consultant had been engaged and had provided some additional recommendations. Enhanced penetration testing would occur and cyber awareness training was due to be rolled out to all staff.</p>	
64	<p>In summary, Committee members noted the increased risk of cyber security attacks within the FE and HE sector and were pleased to note the mitigation being taken to enhance protection.</p>	
65	<p><b>RESOLVED:</b> The Committee noted the report.</p>	
66	<p><b>FR/20/142 – Risk Management</b></p> <p>Sharon Bowker presented the Committee’s Risk Register and members noted the changes to the format and the columns within the register, and that the register had been updated with comments made at the previous Committee meeting.</p>	
67	<p>In relation to those risks where there had been a change:</p>	
68	<p><b>Risk 3:</b> Likelihood reduced to 3 due to the improved performance in the external funding department and recent successes which has reduced the potential cost impact.</p>	
69	<p><b>Risk 7:</b> cost impact increased to 5 due to the potential impact of a cyber ransomware attack. Committee members noted the mitigation within the risk register in relation to this specific risk linked to the data protection update above. A local College had been subject to a</p>	

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70	<p>ransomware attack and the impact had been wide-ranging; the attack had impacted on results provided to students to all software systems from email to document drives to payroll and all finance systems, it had taken the College almost two months to get back some functionality.</p> <p><b>RESOLVED:</b> The Committee noted the report.</p>	
71	<p><b>FR/20/143 – Committee Self-Evaluation 2019/20</b></p> <p>The Committee considered the draft Self-Evaluation for the period 2019/20.</p>	
72	<p>It was agreed that the grading of the Committee during the period remained a 2, and it was noted that work would be undertaken to further improve the financial data provided.</p>	
73	<p>The areas for improvement were noted and agreed and would form part of the overall Board effectiveness review.</p>	
74	<p><b>RESOLVED:</b> Committee members approved the Committee Self-Evaluation 2019/20</p>	
75	<p><b>FR/20/144 – Schedule of Business</b></p> <p>Committee members noted the Schedule of Business.</p>	
76	<p>It was agreed that the IT deep dive would take place at the November meeting before the joint Audit and Finance &amp; Resources Committee meeting, which would enable members of both Committees to attend.</p>	
77	<p>The March Committee meeting would consider marketing and recruitment as the deep dive.</p>	
78	<p>HR would be the deep dive in June.</p>	
79	<p><b>RESOLVED:</b> Committee members approved the schedule of business.</p>	
80	<p><b>FR/20/145 – Items to be recommended to the Board:</b></p> <p>It was agreed that the following would be reported to the Board for approval:</p>	
81	<p>➤ The updated list of subcontractors for non-core</p>	

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82	provision. ➤ The Subcontracting Rationale.  It was agreed that the following would be reported to the Board for information:	
83	➤ The Committee had received an update on Estates and Premises. ➤ The Committee had reviewed the External Contracting report ➤ That all sub-contractual arrangements for non-core provision meet the strategic aims of the College, enhance the opportunities and quality of the training offer and are of high quality and low risk. ➤ The Committee had received an update on enrolment progress. ➤ The Committee had reviewed the management accounts for Period 12 against the revised forecast previously shared with all Governors noting the improved position. ➤ The Committee had received a data protection update ➤ The Committee had reviewed its risks and noted some changes which had been made. ➤ The Committee had reviewed the Self-Evaluation, grading the Committee as 2 and noting the recommendations which would be included within the whole Board effectiveness review. ➤ The Committee had approved the Schedule of Business	
	<b>FR/20/146 – Dates of Future Meetings</b>	
84	Finance and Resources Committee – 19 November 2020 at 16.30-17.30	
85	JOINT Audit and Finance & Resources Committee – 19 November 2020 at 17.30-18.45	

Signed as a true and accurate record

Chair : Malcolm Rogers

Date : 19 November 2020