



**CALDERDALE COLLEGE
FINANCE AND RESOURCES COMMITTEE MEETING**

**Minutes of the Meeting held on 24 November 2022 held
via MS Teams**

Present:

Malcolm Rogers	External Governor & Chair
Peter Clark	External Governor & Chair of the Corporation
Andrew Wright	External Governor

In Attendance:

Andrew Harrison	Vice Principal – Corporate Services
Ebrahim Dockrat	Director of Commercial Services and Partnerships
Jane Taylor-Holmes	Clerk

Agenda: No items of other business were added to the agenda. There was an item of any other business which would be considered as a Part 2 Confidential item.

Min Ref.	Minutes	Action
1	FR/22/133 - Apologies for absence Apologies were received from Ms J Gray, Interim Chief Executive and Principal and Mr R Laycock, External Governor.	
2	FR/22/134 – Confirmation of eligibility, quorum and declarations of interest 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	FR/22/135 – Appointment of Chair 2022/23 Resolved – Mr M Rogers was appointed as Chair of the Committee for 2022/23.	

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4	<p>FR/22/135 – Minutes of the meeting held on 1 July 2022</p> <p>Resolved: The minutes of the meeting held on 1 July 2022 (and Part 2) were approved as a true and accurate record.</p>	
5	<p>Mrs J Taylor-Holmes, Clerk to the Corporation explained that the sections in red were commercial in confidence and would be redacted from the published minutes.</p>	
7	<p>FR/22/136 – Matters arising</p> <p>A verbal update was provided around item FR/21/132; it was noted that in the light of the changes in the interest rate, it was agreed that this would be an item for consideration.</p>	
8	<p>Mr A Harrison, Vice Principal – Corporate Services confirmed that discussions had commenced with Lloyd’s bank regarding interest payable. The response would be considered and if needed, a potential re-tender of everyday banking services would be assessed.</p>	
9	<p>Mr Harrison agreed to investigate potential banking opportunities and review any potential accounts which may earn interest.</p>	<p>Action: Mr Harrison March 2023</p>
10	<p>All other matters arising were complete or on the agenda for consideration.</p>	
	<p>FR/22/137 – Commercial and Partnerships</p> <p>External Funding</p>	
11	<p>Mr E Dockrat, Director of Commercial Services and Partnerships presented a report providing an update on external funding contracts.</p>	
12	<p>Mr Dockrat referred to page 3. It was noted that some reforecasting work was being undertaken in relation to budgeting as the year to date actual against budget was a deficit of £180,000.</p>	
13	<p>In relation to performance overall in the Rise area; Mr Dockrat explained that employer facing work was slow to start off, there had been difficulties in recruitment and</p>	

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	delays in getting contracts from the combined authority or consortium. Mr Dockrat confirmed that all contracts were now all up and running and referred to some case studies included within the report.	
14	In relation to new developments, Mr Dockrat referred to three items listed in the report. It was suggested that this may represent a new direction of travel for the department and went some way to replace the ESA funding post Brexit. It was accepted that it was unlikely that the College would achieve the same level and volume of funding and Mr Dockrat explained that a new business model was being explored.	
15	Mr Dockrat explained that the new work included the administration of apprenticeship funds and other grants on behalf of an employer or national agency. The College had been successful in being awarded as the National Highways Apprenticeships Managed Provider to managing providers who deliver training to the National Highways agency. Similar contracts had been awarded regarding the Made Smarter grants and LEP compliance support programme.	
16	Mr Dockrat also explained that Skills Bank 3 had just launched, the College was still awaiting the final contract for the Industry 4.0 Brighthouse Towns fund to create a hub to educate apprenticeships in cutting edge technology; however this was expected.	
17	Mr A Wright, External Governor asked whether the College was looking at accessing the Multiply fund. Mr Dockrat confirmed that the College had been allocated £37,000 as a part of the shared prosperity funding. Mr Dockrat explained that there was some consideration given to how the College could resource the project based on the allocation provided. It was noted that there was no minimum value and the Formula was based on per capita and levels of deprivation. Mr Dockrat explained that the Multiply programme was being routed through the consortium and overall there were very small sums available for Calderdale.	
18	Mr Dockrat explained that work was ongoing bring some revenue into the Industry 4.0 hub; there was some capital to invest and supporting the hub was being investigated.	

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	<p>Harrison explained that the RIBA Stage 3 report had been received and the project was at the design stage prior to procurement. The College had applied for planning permission and it was hoped that this would be received in January 2023. It was hoped that Contractors would be on site to work over Summer 2023.</p> <p>28 Mr Harrison confirmed that progress was good and he was confident of a June deadline for Contractors on site. It was noted that more details about the procurement process will be provided.</p> <p>29 Committee members noted that the overall project completion had now moved to July 2024 and that this had moved from the original plan. Mr Harrison explained that it should be possible to complete the project before July 2024.</p> <p>30 It was noted that AA Projects would be attending future meetings.</p> <p>31 Mr Harrison referred to the IT update and the recent progress in relation to the installation of firewalls. Mr Harrison referred to the presentation from Mr Leiper, IT Manager to the Joint Audit and Finance & Resources Committee meeting and the plan for the installation of a much-improved WiFi system.</p> <p>32 It was noted that it had been suggested that an update on progress would be provided to a future Governor Development Day.</p> <p>33 Committee members noted that IT had been identified as a key strategic area and that there may be ability to bid for capital funds to support development in this area.</p> <p>34 Resolved: The Committee received and noted the report.</p>	
	<p>FR/22/139 - HR update</p> <p>35 Mr Harrison provided the HR report and presented the HR dashboard.</p> <p>36 Mr Harrison explained that the Audit Committee had received a specific Internal Audit on HR and there had been recommendations in relation to mandatory training</p>	

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37	<p>compliance and appraisals. It was noted that compliance with mandatory training was reported to the Committee through the HR dashboard.</p> <p>Mr Harrison explained that the Audit Committee had recommended that the Internal Audit report was submitted to the Committee so that the report and recommendations could be reviewed. It was agreed that the Internal Audit report would be presented to the Committee in March 2023.</p>	<p>Action: Harrison March 2023 Mr</p>
38	<p>In relation to the dashboard, Committee members commented that it would be good to see some historical data to enable any trends to be identified and it was agreed that the report would be updated. It was agreed that the updated report would be provided to the Committee in March 2023.</p>	<p>Action: Harrison March 2023 Mr</p>
39	<p>Mr P Clark, External Governor and Corporation Chair commented that there had been significant recruitment costs associated with senior staff recruitment. It was agreed that recruitment costs would be reviewed. An update would be provided to the Committee in March 2023.</p>	<p>Action: Harrison March 2023 Mr</p>
40	<p>Resolved: The Committee noted the report.</p>	
<p>FR/22/140 – Recruitment 2022/23 Update</p>		
41	<p>Mr Harrison provided an update on recruitment following the Governor Development Day held on 30 September 2022.</p>	
42	<p>Mr Harrison commented that there had been positive recruitment in 16–18-year-old learners and most had now passed the 42-day period. There had also been good progress in recruitment in community learning for adults.</p>	
43	<p>Mr Harrison commented that there was a visit planned from WYCA as they had been impressed with the progress made and the feedback received from Ofsted in this area which was assessed as outstanding. There would be a discussion around growth and the possibility of being able to bid for an additional 10% would be explored.</p>	
44	<p>Mr Harrison explained that HE recruitment was slightly down in numbers against plan but this did not impact the financial position as income was linked to expenditure.</p>	

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45	Mr Harrison commented that whilst there had been a slow start in apprenticeship recruitment, he had received reassurances that recruitment would catch up and the pipeline looked positive going forward.	
46	Resolved: The Committee noted the report.	
	<p>FR/22/141 – Other Assurance Report</p> <p>ESFA Governor Dashboard</p> <p>47 Mr Harrison explained that the Dashboard was now available online and Governors were able to access this. In the alternative, there was a downloadable document available which had just been added to the online portal. It was agreed that, in future, the pdf document would be shared with Governors. The online dashboard was shared online with Committee members live during the meeting.</p> <p>48 Mr Harrison provided the summary dashboard. The financial health grade was good for 2022/23 and then moved to requires improvement.</p> <p>49 Mr Harrison referred Committee members to the graph on cash days and forecast.</p> <p>50 Mr Wright asked about the impact of the increase in national minimum wage. Mr Harrison confirmed that there were around 80 members of staff on minimum wage. It was noted that there would be some of the increase subsumed within the 2.25% proposed pay increase. Mr Harrison explained that this would be modelled through. It was noted that the majority of staff would be term time only staff so there would be a part time impact.</p> <p>51 It was noted that this would be factored into the review of the budget at the December Board meeting.</p> <p>52 Committee members noted that the proposed 2.25% proposed pay increase was below inflation and it was noted that there may be a risk in this area.</p> <p>53 Further in relation to the dashboard, it was noted that liquidity was largely down to the cash being previously artificially high. Funds held and unused had now been paid back. Profitability and EBITDA was reviewed. It was noted</p>	<p>Action: Mr Harrison / Mrs Taylor-Holmes March 2023</p>

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54	<p>that staff costs as % of income was below sector average. It was further noted that borrowing was very low and debt service cover was high.</p> <p>DfE letter – College oversight</p> <p>Mr Harrison provided a letter from DfE which confirmed continued oversight of the quarterly accounts.</p>	
55	<p>Resolved: Committee members received the other assurance reports.</p>	
56	<p>FR/22/142– Financial Performance Report</p> <p>Mr Harrison explained that he was meeting with Mr M Rogers, External Governor and Committee Chair on a monthly basis.</p> <p>Management Accounts to 30 October 2022 including year-end forecast.</p>	
57	<p>Mr Harrison presented the management accounts up to Period 3 (end October 2022).</p>	
58	<p>Mr Harrison confirmed that there had been good progress to date and the College was £368,000 ahead of profile. Income was down slightly which was mainly due to commercial and apprenticeships; however there were corresponding savings in pay and non-pay.</p>	
59	<p>Adult income was £146,000 ahead of profile reflecting the overperformance on AEB; this would represent a timing issue if the College was not successful in the bid for growth.</p>	
60	<p>The College had saved around £120,000 in staff costs due to being unable to fill vacancies.</p>	
61	<p>Mr Harrison explained that he should be in a position to feedback any information on the November position at the December Board meeting to support the discussion around the proposed staff pay increase.</p>	
62	<p>Resolved: The Committee received the Management Accounts to 31 October 2022.</p>	

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FR/22/143 – Data Protection Update		
63	Mr Harrison provided the data protection update and explained that the Data Protection Officer role was provided by Naomi Korn Associates. Mr Harrison commented that the report documented gradual improvement against the key findings identified.	
64	Mr Harrison explained that work was due to commence in relation to privacy notices and the information asset register and the aim was for the College to be fully 'green' rated by the end of the academic year.	
65	Committee members noted the progress made in establishing and implementing the action plan to achieve and maintain compliance.	
66	Resolved: Committee members received the Data Protection update.	
FR/22/144 – Risk Management		
67	Mr Harrison presented the extract from the Risk Register detailing those risks which are overseen by the Committee.	
68	Mr Harrison explained that one risk had been raised in relation to potential reduction in public expenditure. This reflected the reduction in ESF funds included and it was noted that there was no additional funding for Colleges in the Autumn statement.	
69	It was noted that the College was in receipt of some temporary funding (for example, the Post 16 tuition funding) and the College was still in receipt of a teacher's pension supplement which was temporary and reviewed annually. It was agreed that the threat to public sector funding made this risk a high risk.	
70	Resolved: The Committee reviewed the risks and approved the ratings.	
FR/22/145 – Committee Self-Evaluation		
71	Mrs Taylor-Holmes presented the Committee self-evaluation.	

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72	Committee members discussed performance of the Committee and noted that the Committee had discharged the delegated responsibilities and provided good challenge.	
73	It was noted that the recent Ofsted inspection had graded Leadership and Management as outstanding. It was agreed that the Committee would self-assess effectiveness as outstanding, grade 1.	
74	Terms of Reference – recommended to Board for approval, noting that there were no proposed amendments.	
75	Schedule of business – in relation to staff survey reporting; it was agreed that Mr Harrison and Mrs Taylor-Holmes would discuss this matter further.	
76	Subject to the review, the Committee approved the schedule of business.	
	<p data-bbox="300 972 1184 1003">FR/22/146 – Items to be recommended to the Board:</p> <p data-bbox="220 1043 1184 1111">77 It was agreed that the following would be reported to the Board for approval:</p> <p data-bbox="220 1151 1184 1256">78 ➤ The updated list of subcontractors for non-core provision. ➤ Terms of reference</p> <p data-bbox="220 1296 1184 1926">79 It was agreed that the following would be reported to the Board for information. The Committee had; ➤ Received the External funding report; noting the post Brexit reduction in ESF and that replacement Government funding has not been forthcoming. Work had been ongoing to diversify and find alternative sources of work in this area with some success. ➤ Received the Estates and IT update and the HR update. In relation to the Estates update and it noted that a more realistic timescale for completion of the capital project was June 2024. In HR, the Committee would be looking in more depth at the level of mandatory training and appraisal completion where there appeared to be some slippage. ➤ Received a recruitment update noting that recruitment was generally good in 16-18 and adults, there was a pipeline for apprenticeships and the College was hopeful that it would recover and achieve plan in this area.</p>	

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	<ul style="list-style-type: none"> ➤ Noted that the ESFA would continue to monitor quarterly accounts notwithstanding that the College had a financial health grade of good this year. In future years it was expected that this would change to Requires Improvement as the College was forecasting an operating deficit. ➤ Received the Management accounts noting that the College was ahead of plan and benefiting from staffing vacancies. ➤ The Committee had reviewed its risks and in particular had agreed to increase the risk of public expenditure reduction total score from 20 to 25. ➤ Self-evaluated awarded a 1 – Outstanding 	
80	<p>FR/22/147 – Dates of Future Meetings</p> <p>Finance and Resources Committee – 30 March 2022 at 5.00pm</p>	

Signed as a true and accurate record

Chair Malcolm Rogers

Date 30 March 2023