

Public Minutes of a meeting held on Tuesday 23rd November 2021 at 6pm.

Present

Nick Handy, Chair
Jacqui Canton, Principal
Sean Wellington
Howard Dodd
Edward Collett (via Teams link)

In attendance

Mark Lay, Finance Director
Olivier Cognard, Vice Principal
John Revis, Head of OSH (to the end of item 4.2)
Michael Chiyasa, Head of Estates and Capital Funding
Stuart Head, Head of Finance
Victoria Hazel, Assistant to the Board

Governor questions are represented with bullet points, management responses are italicized.

1. Opening Comments

Roger File was unable to attend. The meeting was quorate. No declarations of interest or other matters were raised.

2. Minutes of previous meetings

- 2.1 The Public Minutes from the previous F&GP Committee meeting held on 28th September 2021 were approved, subject to the budget which the committee noted is still to be discussed.
- 2.2 The Confidential Minutes from the previous F&GP Committee meeting held on 28th September 2021 were approved.

3. Matters arising, written resolutions & action points

Item 3.1 on the Matters Arising paper is in process rather than completed. The committee noted the paper.

Action	By whom	Deadline
Amend the status of item 3.1 on the Matters Arising paper to 'in process'.	Assistant to the Board	Next F&GP meeting

4. Reports

In an agreed change to the agenda, the Head of OSH presented Item 4.2 first.

4.2 Health and Safety Report

The Head of OSH presented the Health and Safety Report. The college has had two RIDDOR reportable incidents during this academic year. Two further incidents were discussed with RIDDOR but did not meet the criteria to be reportable. These incidents are the same ones discussed at the previous F&GP meeting.

Proposals for a new way of reporting Near Misses is being put forward to the CLT meeting this week for a December start with a quota for each department and reporting via MS Forms.

The percentage of staff up to date with Smartlog training has improved since the report was written. The OSH team is now working more closely with HR to support health issues.

- Does the college have many issues with repetitive strain injury or white finger associated with vibration of equipment? *Yes some cases, we are working with HR and providing preventative training and support.*

Covid case numbers remain relatively low compared to the local area and have mostly been single cases, other than one small cluster of 6 positive cases on one course. This course was moved to being held online for a week and Thames Valley Health Watch informed.

- The report mentions one student was responsible for 24 incidents? *Yes this is a student with significant additional needs and 18 of these incidents were in one day due to transition issues with a return to campus. His timetable plan was altered and this resolved the level of incidents.*
- Is there a target for percentage of staff to have completed the fire and Smartlog training and risk assessments? *The target is always 100% but the risk assessments are updated on a rolling basis so there are always some being worked on.*
- Is the high fire risk assessment for A block deemed to be an acceptable level of risk? *Yes as paper evidence is in place of the assessment and actions are underway to address the risks.*

The committee noted the report.

4.1 Capital Projects and Estates Report

4.1.1 Public Report

The Head of Estates and Capital Funding presented the Capital Projects and Estates Public Report. The construction of the Green Centre at Abingdon is progressing to schedule. The capital bid for wave 3 T Level facilities has been approved and will be progressing to the design stage in January.

- Where will the T level work take place? *In Abingdon on second floor of D block and in Witney on ground and first floor of Courthouse.*
- Have any cracks widened in Early Building? *No, but they are being monitored.*
- What is ISO2014? *It is an environmental management standard.*

The committee noted the report.

4.1.2 Confidential Report

Confidential minutes were taken in relation to this item.

4.3 Subcontractor Annual Report

The Finance Director presented the Subcontractor Annual Report. Previously no subcontractor report went to the Audit Committee but the F&GP Committee considered whether it would potentially be better as an item for the Audit Committee cycle of business rather than F&GP. This was discussed and agreed with the Chair of the Audit Committee. The F&GP committee noted that TIAA provides an underlying report on Subcontractors to the Audit Committee and on that basis the review should be primarily undertaken by the audit Committee. Subcontracting as a cost would be reviewed by the F&GP Committee as part of the normal review of the finances. The following points were discussed:

- The requirements that the ESFA place on us are to only use sub-contractors the Board deems to be high quality and low risk, how do we check this? *The Board will have assurances on this through the TIAA report and this analysis.*
- If relating to the quality of delivery the CQS Committee should have an oversight. *It is referenced in the SAR and it was agreed that CQS should also have in input where necessary. This would be a matter for CQS and the Audit Committee*
- Does funding retained by the college cover management fees? *Half of all subcontracting is via MacIntyre via OCC where no management fees are allowed, the rest of our subcontracting has a 15% management fee in line with ESFA guidance.*
- Where does the £890k fit in the top 20 suppliers? *Top. It is regularly reviewed by the college if we could provide this service ourselves at a lower cost and reviews have always been shown we couldn't.*
- The table in the report would be useful if could show last years figures for comparison. *This could be provided for future reports.*

Action	By Whom	Deadline
Discuss moving the item of business 'Subcontractor Annual Report' to the Audit Committee.	Finance Director and Chair of F&GP	At Audit meeting being held tomorrow.
Include previous year's figures for comparison in next Subcontractor Annual Report.	Finance Director	Nov 2022 Subcontractor Annual Report

The Committee approved the report.

5. Student Numbers and Funding Matters

5.1 Enrolment update

The Vice Principal presented the Enrolment Update. There has been no significant change since the previous enrolment update, with enrolments for 16-19 year old students lower than expected due to some withdrawals in the Service Industries courses.

The Committee noted the report.

5.2 Construction Academy Update

The Principal presented the Construction Academy Update. There are no significant updates from the previous report, staffing for plumbing lecturers in particular remains a challenge. Some additional sales resource is going to be directed at the Bicester campus as we have some ESFA funding for additional sales support.

Employer relationship building is beginning for the Green Construction Centre.

- Are the overall enrolment numbers ok, and the issue for income targets being due to the mix (students on lower value courses)? *Overall enrolments are slightly lower than target but the main issue affecting income targets is the course mix. The additional sales resource will be addressing this.*
- Is the date for the Green Centre handover March 2022? *Yes then the interior fit out will happen ready for July opening, realistically students will begin there in September 2022.*

The Committee noted the report.

6. Draft Financial Statements to 31st July 2021

6.1 Headline Report

The Finance Director presented the Headline Report.

The Committee noted the report.

6.2 External Auditors Letter of Representations

The Finance Director presented the External Auditors Letter of Representations.

The committee recommended the paper to the Audit Committee and Board.

6.3 Financial Statements 2020-21, including items:

6.3.1 Operating Review

The Financial Statements have been thoroughly reviewed by the Chair and the Chair is happy with the Statements from an operational point of view and they are in line with previous Statements. The Chair clarified that he is not able to comment on the Statements from an Audit perspective and they will be reviewed separately by the Audit Committee. A few minor amendments have been recommended and these will be in place before the final version of the Statements is presented to the Board in December.

Action	By Whom	Deadline
Minor amendments to Financial Statements as advised by Chair of F&GP	Finance Director	December Board meeting

- We need to look more closely at enrolments as number of staff has increased and enrolments are over the past two years for 16-18 year olds – do we have a demographic increase coming? *Yes there is a demographic increase in 16-18 year olds in the areas over the next 10 years.*
- Are we able to look at market share? *Yes we have a new tool for this called Vector but we have only just had access to this so the reporting is still under review.*
- The single biggest issue is staff costs as a percentage of total budget. *Yes and there is growing pressure on staff pay as we are becoming uncompetitive for salary in a number of roles. The strategic plan is focusing on staffing costs as the most significant issue.*

6.3.2 Governance and Members Report

- Do we need to have a named person in the Clerk role in the Statements, why do the Auditors require a named person? *This question will be raised at the audit committee meeting tomorrow.*

Action	By Whom	Deadline
Check with auditors if we are required to have a named Clerk in the Financial Statements.	Finance Director	Audit Committee meeting on 24 th Nov 2021 (tomorrow)

6.3.3 Independent Auditors Report

The Finance Director presented the Independent Auditors Report.

6.3.4 Independent Auditors Report on Regularity

The Finance Director presented the Independent Auditors Report on regularity.

The committee recommended item 6.3 and all sub items to the Audit Committee and Board.

6.4 Accounting Estimates Overview

6.4.1 Accounting Estimates Overview Paper

The Head of Finance presented the Accounting Estimates Overview. This is a new paper not produced previously.

- Have the auditors made comments? *No as it does not contain any new information, but it is now a requirement to produce this report.*
- For LGPS calculation, we are using the actuary calculation under FRS102 and not the funding approach. We need to clarify in the report we are using the actuary valuation.

Action	By Whom	Deadline
Clarify in the report we are using the actuary valuation.	Finance Director	December Board meeting
Check with auditors if the Accounting Estimates Overview needs to go to the Board for approval	Finance Director	December Board meeting

7. Finance Matters

7.1 Draft Management Accounts to 30th September

The Head of Finance presented the Draft Management Accounts to 30th September. The approved budget has been scaled back.

Staff costs as a percentage are recorded using the ESFA formula.

The report was approved for recommendation to the Board.

7.2 Budget 2021/22 Update

The Finance Director presented the Budget 2021/22 Update. We are looking at enrolments and revising income targets. Staff payroll has increased and non-staff costs have remained broadly the same.

The OCC funding is forecast to be higher than previously expected due to the mix of student needs and a claim is on track to be submitted to OCC in December 2021. This is earlier in the academic year than usual.

We are aiming to hold back some of the contingency in the budget and this will be adjusted where necessary after discussions with departments.

- How much did we carry in? *Approximately £250k.*
- Staff costs need to be addressed. *Yes, the strategic plan being developed is focusing on this.*
- When we have large amounts going in and out this could affect the college cashflow, such as with the Green Construction Centre costs. Are we confident of getting this funding in? This is important as the College has to rely on cashflow to give the Board comfort that the College is a going concern. *Yes we are confident of receiving the funding and this not impacting cashflow. We have discussed timing of a claim with the LEP and they are expecting the claim from us in early March, they pay two weeks in arrears.*
- How are we managing to recruit with the wages being offered at the lower salary bands being below the Living Wage? *Salary remains an issue for recruitment at lower grade roles and is becoming an increasing issue with competition from other employers. We are proposing a 1% pay rise for staff in December and from April 2022 paying at least the Living Wage. If we were to adopt the Oxford Living Wage this would cost us £170k.*
- We need to realign the cost base, which should be a consideration for the strategic plan. *It will be part of a 3-5 year plan to look at how we put a sustainable plan in place for pay rises. We have previously given 1% pay rises in line with AoC guidance, the AoC no longer have a guideline percentage.*

The report was approved for recommendation to the Board.

7.3 ESFA College CFFR Dashboard 2020-2021

The Finance Director presented the ESFA College CFFR Dashboard 2020-2021.

- Do you share data? *Yes with Bucks College Group and Berkshire College of Agriculture.*
- All this information again points to restructuring the cost base and improving quality. *Our mix of high needs students means a high cost base but we do need to review staff costs as an overall cost. We are using data to examine what our cost base should be and how best to work towards that.*
- How easily can we compare data with other colleges more widely, could there be a group meeting for Finance Directors? *There are too many variables and inconsistencies to draw meaningful conclusions from comparisons. There are also very few excellent examples to follow which is why we are carrying out our own analysis ourselves as a unique business.*

The committee noted the report.

8. Policies

8.1 Redundancy Policy

The Principal presented the Redundancy Policy. No substantial changes have been made to the policy, only some minor updating such as job titles.

- What do we pay for redundancy? *The Government standard redundancy pay.*
- Presumably we have a low number of redundancies due to challenges recruiting? *Yes.*
- Can the version with track changes be circulated in future for ease of oversight of updates? *Yes.*

Action	By Whom	Deadline
Include the Redundancy Policy with track changes when this paper goes to the Board	Assistant to the Board	December Board meeting

The policy was approved for recommendation to the Board.

9. Committee Self-Assurance

This item was carried out at the previous committee meeting and was included on the agenda in error.

10. Any Other Business

No points were raised.

11. Future Business and Reflection

The next meeting of the F&GP Committee will be on Tuesday 1st March 2022.

The meeting closed at 7.50pm.



28/3/23

