



MEETING OF THE FINANCE AND RESOURCES COMMITTEE
Wednesday 24 February 2021 at 6.00pm
Virtual Meeting

MINUTES

Present: Andrew Lowe (Chair)
Caireen Mitchell (Principal & CEO)
Tony Stevenson
Nasim Jivani Hemani
Catherine Boyd-Maunsell

In attendance: Ann-Christine Harland (VP Finance and Resources)
Fadia Clarke (VP Training, Skills and Higher Education)
Helen Langford (Head of HR) – Item 5
Stuart Markham (Property Adviser, Fusion) – Item 6
Paul Marsden (Director of IT and Estates) – Items 6 and 7

Clerk: Clare Mitchell, Director of Governance

1.	<p>Apologies for Absence</p> <p>There were no apologies for absence.</p>
2.	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>
3.	<p>Management Accounts as at 31 December 2020</p> <p>The Committee noted the report, which summarised the College’s financial performance for the five months to 30 December 2020. The accounts showed a surplus of £205K against an expected budget deficit of £100K.</p> <p>The year-end forecast remained as a deficit of £166K, although some changes had been introduced with a further reduction in the forecast income from catering and apprenticeships offset by forecast increases in grant income for the new mass testing facility and the job retention scheme, plus £22K for deferred capital grant releases. The VPF&R confirmed that staff working in the mass testing centre had been recruited on short term contracts. Furloughed catering staff would be returning to work on 4 March 2021.</p> <p>£181K of the Covid small group tuition support grant had been received in December but would not be posted until January 2021 when delivery had been established and further staff recruited. There had been fewer ESOL adult students enrolling in January 2021 because of lockdown. However, the College still expected to achieve or exceed all of its GLA-AEB grants and had bid for 20% growth for 2021/22.</p> <p>The ESFA AEB had earned £56K year to date against a budget of £133K. The subcontract with The Skills Network was due to commence delivery in January 2021. The College’s own distance learning provision was earning less than expected. In 2019/20, the ESFA had allowed Colleges to deliver only 62% of this</p>

	<p>grant in order to keep the full year's grant, due to the difficulties of recruiting during the first lockdown. The ESFA had yet to announce what percentage of the grant Colleges would be expected to achieve in 2020/21 but it was expected to be higher than in 2019/20.</p> <p>Recruitment to the nursing degree starting in 2020/21 was strong.</p> <p>In terms of expenditure, the 2020/21 budgeted pay increase for staff had been implemented in February 2021, backdated to September 2020. A key saving was the premises development budget of £200K, which remained unspent to date as the focus had been on the new building condition grants. The current lockdown had reduced expenditure on consumables and utilities.</p>
4.	<p>Croydon College KPIs 2020-21 - Finance, Staff and Estate</p> <p>The Committee noted the updated KPIs.</p>
5.	<p>Human Resources Update</p> <p>The Committee noted the HR update. The HoHR outlined the arrangements that were being put in place for testing students and staff prior to the reopening of the College on 8 March 2021. An all staff briefing had been arranged to explain the arrangements for reopening and the Covid working groups with the unions had been re-established.</p> <p>As requested by the Committee, the recruitment and talent acquisition section of the Workforce Strategy had been pulled out as a separate strand. The HoHR planned to bring a revised recruitment policy and procedure to the next meeting.</p> <p>Action: Head of HR to provide a revised recruitment policy and procedure to the next meeting</p> <p>Meetings had taken place with the unions on the implementation of the 1.5% staff pay award for 2020/21. The pay award was very significantly below the national pay claim being made by the UCU and Unison, representing staff at the Croydon Campus, but neither union had opposed the implementation of the 1.5% increase. It was possible that there would be some opposition from the NEU, who were focused on assimilating staff at the Coulsdon Campus onto the Sixth Form College Associate (SFCA) pay scales. The SFCA had announced a 3.25% pay increase this year, which was not financially sustainable for the College.</p> <p>The gender pay gap report showed that 75% of staff in the lower pay quartile were female. The ethnicity pay gap report reinforced the known gap in BAME representation in the upper pay quartile. The next step was a thorough analysis of the EDI data, which would be completed by the end of April 2021. HR would then meet with the relevant managers to put appropriate actions in place to address under representation. The HoHR would give an update on progress at the next meeting.</p> <p>Action: HoHR to provide a progress update on actions being taken to address pay gaps at the next meeting</p> <p>The HoHR was working with the Head of Learning and Quality to establish talent and development meetings with each school and senior leadership team with a new focus on enhancing performance.</p>

	<p>Drop in sessions had been arranged in December 2020 and January 2021 for staff impacted by Brexit. The College estimated that about 45 staff would need to apply for pre-settled or settled status. Attendance had been low despite union engagement and there would be further communication. The College could not ask staff to provide evidence of their settlement status until after 30 June 2021.</p> <p>The HoHR outlined the steps being taken to support the wellbeing of staff during the current lockdown. There had been feedback via the unions that some staff continued to find online teaching difficult. A significant number of staff had returned to campus to deliver their online lessons, particularly at the Croydon Campus. This had been allowed, subject to social distancing being maintained.</p> <p>The Committee commented that the HR delivery plan was ambitious given the amount of resource that was being diverted because of Covid and asked about the size of the HR team. The HoHR agreed that the plan was ambitious and the HR team was small but there was much to be done. There might need to be some flexibility on the timings in the delivery plan and she would discuss this with the P&CEO if required.</p> <p>The P&CEO reported that students' wellbeing was also being supported with regular communications and individual contact by tutors. A significant number of students were struggling and a high level of mental health concerns were expected to be reported when students returned onsite from 8 March. The LQCs would be receiving a report on safeguarding concerns raised to date. There had been a significant increase in the number of referrals for 16-18 year olds. The Executive were considering implementing a re-engagement programme for any students who did not return to College following the end of the lockdown.</p>
6.	<p>Property Strategy</p> <p>i Progress Report</p> <p>Stuart Markham gave an update on progress on the two capital projects currently being progressed at the Croydon Campus. The Clinical Simulation Centre (CSC) was on track for its target completion date and the tender for the main contractor had been released. The main contractor would need to be appointed as soon as possible following the outcome of the tender process as the deadline for signing the contract was 19 April 2021. The amendments to the Financial Regulations in December 2020 would enable this contract to be approved by the Chair/Vice-Chair and the Chair of the Finance and Resources Committee prior to ratification by the Board.</p> <p>The FE condition works at the Croydon Campus were also on track for completion by 31 March 2021. A tender exercise had been carried out for the roof repairs and a contractor had now been appointed.</p> <p>All works were expected to be completed by 31 March 2021. However, in view of the increased risks posed by the rise in Covid cases across the UK in late December 2020, an extension to the deadline had been requested. The DfE had now confirmed an extension for deferral of up to 10% of the project until 30 September 2021 so project funding would not be at risk if the 31 March 2021 deadline was not met for this percentage of the building condition work.</p> <p>The Committee noted the progress report.</p>

ii Bids for Building Condition (FECTF) and T Levels Funding 2020/21

The Committee **received** a tabled paper which provided an update on the requirements of the Further Education Capital Transformation Fund (FECTF) for building condition improvements for the financial years 2020/21 and 2022/23. Grants would be made on a 50/50 matched funding basis and initial expressions of interest had to be submitted by 15 March 2021. The outcome of the stage 1 application would be known in May 2021. A stage 2 application would then need to be submitted in July 2021 with the outcome known in September 2021.

The stage 1 application needed to include a high level project plan with key milestones, an outline of the governance arrangements to deliver the project and confirmation of capacity to manage and deliver the project. This information was provided in the tabled paper. The project proposals also had to be approved by the relevant governing body.

The Committee noted that the College's £1.5m contribution to the overall expenditure of £3m was already included within the three year financial plan 2020/21 – 2022/23, which was approved by the Board at its meeting on 27 January 2021. The focus of the work would be on windows, further roof repairs, guttering and repairs to the stonework at the Croydon Campus. Extensive scaffolding would need to be put in place and any changes to the Park Lane entrance to improve its street presence would be run to the same timescale to make use of this. It was not yet clear whether any changes to the Park Lane entrance could be included in the FECTF bid.

The Committee **agreed** the proposals, timeline and governance arrangements as set out in the paper and **recommended to the Board for approval** the submission of a Stage 1 expression of interest for grant funding of £1.5m from the Further Education Capital Transformation Fund to be matched by £1.5m funding from the College for further building condition work in 2021/22 and 2022/23.

The paper also addressed a separate bid for T level funding for the upgrading of existing science labs and the provision of a fourth science lab at the Coulsdon Campus. This development was linked to capital funding from Croydon Council for the establishment of a permanent Pathway Centre at the Coulsdon Campus. There was the potential for the Pathway Centre to be incorporated into the main building, particularly as there was a separate entrance available to access the ground floor. It was proposed that the College should consider committing £700K of capital funding in addition to the bid for T level funding and funding from the Council. The P&CEO indicated that she was keen to minimise investment of the College's capital funds given that the building at the Coulsdon campus was relatively new and fit for purpose and was not currently used to capacity.

Fusion had been asked to scope a number of options at the Coulsdon campus. The Board would receive a further paper addressing issues at Coulsdon, including the Pathway Centre, refectory provision and reconfiguration of space to provide T level laboratory provision, at its March meeting. The deadline for bids for T level grants was 26 March 2021.

Action: VPF&R to bring a paper addressing the estates plans at the Coulsdon Campus to the Board

	<p>In the meantime, efforts would be made to confirm that the capital funding for a permanent Pathway Centre was secure given the Council's current financial position and that Cabinet approval would be granted in the necessary timescale.</p> <p>Action: P&CEO to ask the Council for written confirmation that capital funding for the Pathway Centre was secure and that Cabinet approval would be granted in the necessary timescale</p> <p>iii Report on Title</p> <p>See separate confidential minute.</p> <p>iv Property Strategy (February 2021)</p> <p>The Committee reviewed the College's Property Strategy (approved by the Board in July 2020) which had been updated to include the building condition work taking place in 2020/21, the Clinical Simulation Centre and updated space utilisation data. The updated Property Strategy was <u>recommended for approval</u> by the Board at its meeting on 24 March 2021.</p> <p>Action: VPF&R/DoG - updated Property Strategy to be presented to the Board for approval</p>
7.	<p>IT Replacement Strategy</p> <p>The Director of IT and Estates presented the IT replacement strategy, which formed part of the overall IT strategy. In previous years core infrastructure in IT had been prioritised for capital investment.</p> <p>A number of grants had been received over the past year to improve access to online learning. Further bids for grant funding would be pursued where this was appropriate. Combined with the DfE allocation of laptops for disadvantaged students, the College now had 822 laptops available to students. As a result, the number of laptops within the College had significantly increased and these would need to be maintained and eventually replaced. Staff increasingly needed access to laptops for home working and to move between campuses. There was also a need to ensure that the wireless technology at both campuses was robust, to increase support for cloud technology and to equip classrooms to deliver blended learning. The College also needed to upgrade its cyber security to meet ISO standards.</p> <p>The Committee <u>approved</u> a seven year IT replacement cycle with a capital investment of on average £3.7m, approximately £520K per year, to ensure that key infrastructure technology and computers on both campuses remained up to date and were replaced within a realistic and cost-effective life cycle.</p>
8.	<p>Risk Register – Strategic Objectives 4 and 5</p> <p>The Committee <u>noted</u> the updates to Strategic Risks 4 and 5.</p>
9.	<p>Health and Safety Update</p> <p>The Committee <u>noted</u> the Health and Safety Update. The VPF&R reported that there had been very few accidents on site due to the lockdown in place since January 2021. The Health and Safety team were now preparing for the return of</p>

	students and staff on 8 March. The VPF&R commend the work of this team. Nasim Hemani had also attended the most recent Health and Safety Group meeting as the Link Governor for Health and Safety and had provided an update on the very comprehensive actions being taken to protect students and staff during the pandemic.
10.	Sustainability Strategy Update The Committee noted the Sustainability Strategy update. The College's carbon footprint disclosure would be reported on the College's website, ahead of many other Colleges.
11.	Policy updates None for this meeting.
12.	Minutes of the Meeting held on 11 November 2020 The minutes of this meeting were approved as a correct record.
13.	Matters Arising not on the Agenda The Committee noted the action list.
14.	Any other business The Committee asked that the meeting papers continue to be provided as two packs; a main pack of papers and a separate pack of appendices. Action: DoG – meeting papers to continue to be provided as two packs; a main pack of papers and a separate pack of appendices The P&CEO reported that a new College wide project was starting on new ways of working, with the aim of learning lessons from the changes necessitated by the pandemic and supporting more flexible ways of working to support a more diverse workforce.
15.	Dates of future meetings Wednesday 23 June 2021

Signed Chair

Date: