



Croydon
College



COULSDON
SIXTH FORM COLLEGE



Croydon
University
Centre

MEETING OF THE FINANCE AND RESOURCES COMMITTEE
Wednesday 15 June 2022 at 6.00pm
Virtual Meeting

MINUTES

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

In attendance: Ann-Christine Harland (VP Finance and Resources)
Helen Langford (Head of HR) – Item 6

Clerk: Clare Mitchell, Director of Governance

1.	<p>Apologies for Absence</p> <p>Apologies for absence were received from Fadia Clarke, Vice-Principal Training, Skills and Higher Education.</p>
2.	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>
3.	<p>Budget and Financial Forecasts</p> <p>i Budget 2022/23</p> <p>The VPF&R explained that the paper had been drafted prior to her annual leave and there had been changes to the draft budget subsequently. As at 13 May 2022, the budget showed a small surplus of £27,000 derived from income of £31.7m, based on enrolment figures from September 2021. Following the recruitment of additional 16-18 students in January 2022, an exceptional business case had been submitted to the ESFA requesting that these students were funded as part of the 16-18 grant for 2022/23. The outcome would not be known until the end of June. If approved, the additional income would be in the region of £500K. This would allow £281K of expenditure on new posts, which were currently frozen, to be reconsidered and should result in a revised budget being presented to the Board with a surplus of approximately £245K.</p> <p>Discussions on the pay increase that the College could offer to staff in 2022/23 were still ongoing. Staff, particularly the lowest paid, were being impacted by the rising cost of living. The NEU were currently taking industrial action at the Coulsdon Campus and the UCU were balloting staff at the Croydon Campus on strike action in the Autumn term. The P&CEO emphasised the importance of reaching a pay settlement that was fair to staff on both campuses and supported the lowest paid staff.</p> <p>Non-pay costs were budgeted to increase by 5% in 2022/23 because of the rise in inflation and an additional £0.5m of energy costs had been included in the budget. Unlike schools, FE Colleges would not receive funding to cover the increased employer NI costs.</p>

	<p>Since this paper had been written, the College had received an indicative allocation of £745K over the next three years for the government's new Multiply programme aimed at improving adult numeracy. The 2022/23 indicative allocation of £248,339 was not yet included in the budget, as further information about the delivery of the provision was still awaited.</p> <p>The only group of students for whom funding rates were increasing in 2022/23 was 16-18 students. However, there would be an increased contribution from the ESFA AEB as less of this income would be subcontracted in 2022/23.</p> <p>The financial situation would be more challenging in 2022/23. However, the College expected to have £12m in reserves at the close of 2021/22.</p> <p>The Committee RECOMMENDED the 2022/23 budget to the Board for approval subject to the outcome of the business case to the ESFA .</p> <p>ii Forecast 2021/24</p> <p>The forecast covered the current year and the two subsequent years. The assumptions that underpinned it were prudent e.g., 16-18 student numbers were not forecast to increase. Income from HE would increase, as University of Roehampton students would be enrolled on all three year of the Nursing Degree by 2023/24. However, 2022/23 would be the final year of the 16-18 Tuition Fund. A similar level of surplus was forecast for 2022/2024 as for 2021/2022.</p> <p>The debt cover ratio was expected to worsen over the period. However, this needed to be balanced against cash reserves over £9m (2023/24). Based on the key assumptions in the paper, Good financial health was expected throughout the forecast period.</p> <p>The Committee AGREED the key assumptions and forecasts for 2021/24 and RECOMMENDED the forecast to the Board for approval.</p> <p>iii Management Accounts April 2022</p> <p>The VPF&R reported that the insurance payments received from Zurich to date and the forecast costs from the flood would be reported to Governors through the management accounts from April 2022 onwards. Pay costs were now exceeding budget; this was expected as staff were now in place to deliver key grants. Expenditure on capital projects had been delayed earlier in the year, but costs were now being incurred.</p> <p>The College had two bank loans, one on a variable rate and one fixed. Given the College's high level of reserves, consideration might need to be given to re-financing these loans in the future if interests rates increased quickly before the loans were due to be repaid.</p> <p>The Committee DISCUSSED the management accounts for April 2022.</p>
4.	Key Issues – Finance, Estates and KPIs

	<p>The VPF&R apologised for the late circulation of the report. However, this had enabled the Committee to receive the latest updates. The majority of the issues raised in the report had already been discussed.</p> <p>The VPF&R gave an update on progress following the flood in the sub-basement at the Croydon Campus just before the Easter holidays. The College boilers should be working again by September. However, there was an issue relating to drying out the lagging covering the pipes as asbestos had been detected. This might add some additional costs. Three classrooms and the Peter Jackman theatre had been flooded. Following discussions with staff, it was likely that the three classrooms would be re-provided elsewhere in the building and the existing classrooms knocked into one to provide a sports hall at the Croydon Campus. Providing a sports hall had been a longer term aim for the College and could now be progressed more quickly than expected.</p> <p>The insurers had visited the College to review the mitigations that could be put in place to detect water leakage at an earlier stage. A basic Wi-Fi system would be put in place now, enhanced by inspections of the boiler house seven days a week. A more robust monitoring system would be procured. More shunt pumps had been installed in the boiler house.</p> <p>Encouragingly, the insurers had already paid a significant element of the costs incurred. The Chair and the VPF&R would discuss the College's insurance provision and managing the flood claim outside of the meeting. It was unlikely that the College would receive reimbursement for 100% of the costs incurred following the flood but the VPF&R expected by far the majority of the costs to be covered by the insurers.</p> <p>Action: VPF&R and Chair to discuss the College's insurance provision and managing the flood claim outside the meeting</p> <p>The Committee discussed the key issues paper.</p>
5.	<p>AEB Tender Bid 2022/23</p> <p>The P&CEO presented the report. The College wished to subcontract a maximum of £159K of ESFA AEB income in 2022/23 as per the plan previously agreed by the Committee and the Board.</p> <p>The Committee RECOMMENDED the request to tender a maximum value of £159K of its 2022/23 ESFA AEB funding to the Board for approval.</p>
6.	<p>Human Resources Update</p> <p>The HoHR presented the HR update. Staff pay and the possibility of industrial action was currently the highest risk in this area. Further NEU strike action at the Coulsdon Campus was expected to take place as scheduled in June. The College could not agree to move academic staff at the Coulsdon Campus on to the more favourable Sixth Form Colleges Association (SFCA) terms and conditions as this would not be fair to academic staff at the Croydon Campus and was not affordable across both campuses. Discussions with both unions were continuing. The College had offered to work collaboratively with the unions on the distribution of the funds available for pay increases to staff in 2022/23.</p> <p>The HoHR gave an update on change proposals in three areas: academic staff at the Coulsdon Campus, Student Services and Admissions and Apprenticeships. All</p>

seven staff who had been placed at risk at the Coulsdon Campus now had positions in the new structure. No compulsory redundancies were expected from the Student Services and Admissions restructure. The Apprenticeship change proposals were now finalised and had resulted in one voluntary redundancy.

Recruitment was underway for a new Principal of Coulsdon Sixth Form College. The recruitment was being supported by the AoC and there had been a strong response.

There was good progress on the National Centre for Diversity (NCFD) action plan. The NCFD had run some focus groups to explore some of the topics raised through the survey outcomes.

A number of new HR policies had been developed and approved by the Executive Team as follows:

- Flexible / Hybrid Working Policy
- Maternity / Family Leave Policy
- Menopause Policy
- Gender Identity & Transgender Policy
- Wellbeing Policy

A separate Parental Leave Policy would be developed and training would be provided to support the implementation of the Menopause Policy.

Prior to the meeting, Catherine Boyd-Maunsell had provided some comments on the Flexible/Hybrid Working Policy based on her own experience and expertise. The Flexible Working Policy would now be implemented in its current form and a separate Hybrid Working Policy would be developed with input from Catherine Boyd-Maunsell and approved by the Executive.

Action: Head of HR to develop a separate Hybrid Working Policy

The Committee asked the HoHR to consider whether it was appropriate for staff working predominately from home to be paid outer London weighting.

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Deep dive on staff recruitment

The HoHR reported that there had been significant staff recruitment issues in January 2022, which had been exacerbated by staff sickness due to the Omicron Covid variant. The College had responded quickly and implemented a number of actions, as outlined in the report, to improve recruitment times.

Although increasing pay for Learning Support Practitioners (LSPs) did appear to be increasing retention, it was still difficult to recruit to these roles across the region. To support recruitment to LSP roles, the College was looking to convert some agency staff into permanent staff, there was a rolling advertisement for LSPs and a recruitment open day would be held during the Summer.

Post Covid, there was also a shortage of invigilators. A number of part time College staff had been appointed to these roles but it had been difficult to provide sufficient

	<p>cover for the Summer examinations and new ways would need to be found to mitigate this risk. Cleaning staff were also hard to recruit.</p> <p>The Committee asked whether the College could do more to promote part time or job share working to make roles more attractive. The HoHR responded that adverts stated that flexible options were available.</p> <p>The HR department were contacting staff who were leaving to find out the reasons for their resignation. The main feedback was that staff were moving out of the sector and that the increasing level of support needed by students was a factor.</p> <p>The P&CEO reported that the AoC had written to the Secretary of State for Education about the sector wide issues related to recruitment and retention, linking this to rates of pay in the FE sector and asking for uplifts to AEB rates of funding.</p> <p>The Committee discussed the report.</p>
7.	<p>Operational and Quality Improvement Plan (OQIP) Update 2021/22</p> <p>The Committee noted the progress update on Strategic Objectives 4 and 5 of the OQIP.</p>
8.	<p>Health and Safety Report Summer 2021/22</p> <p>The Committee noted the termly health and safety report.</p>
9.	<p>Sustainability Strategy Progress Update – Summer Term 2021/22</p> <p>The Committee noted the sustainability strategy progress update.</p>
10.	<p>Risk Register Strategic Objectives 4&5 - Update Summer 2022</p> <p>The Finance and HR risks had been discussed during earlier items.</p> <p>The Committee APPROVED the Strategic Risks 4 and 5 for submission to the Audit Committee.</p> <p>The Committee AGREED that the focus of the deep dive at the November 2022 meeting would be staff pay and industrial relations.</p> <p>ACTION: HoHR – focus of the deep dive at the November 2022 meeting to be staff pay and industrial relations</p>
11.	<p>Annual Policy Updates 2022/23</p> <ul style="list-style-type: none"> i Health and Safety Policy ii Supply Chain Charges and Fees Policy iii Fees Policy <p>The Committee RECOMMENDED the amendments to the above policies to the Board for approval.</p>
12.	<p>Minutes of the meetings held on 2 March 2022</p>

	<p>The minutes of the Part One meeting were approved as a correct record.</p> <p>The minutes of the Part Two meeting were approved as a correct record.</p>
13.	<p>Matters Arising not on the Agenda</p> <p>The Committee noted the action list. The Committee AGREED that the action relating to the length of papers could now be closed.</p>
14.	<p>Annual Review of Committee Terms of Reference</p> <p>The Committee RECOMMENDED its amended terms of reference to the Board for approval.</p>
15.	<p>Post Meeting Reflection</p> <p>The Committee commented that the papers for the meeting had improved and were now a more manageable length.</p>
16.	<p>Any other business</p> <p>There were no items of other business.</p>
17.	<p>Dates of future meetings</p> <p>Wednesday 16 November 2022 – 5pm to 7pm online due to clash with AoC Conference</p> <p>Wednesday 8 March 2023 – 6pm to 8pm in person at the Croydon Campus</p> <p>Wednesday 14 June 2023 - 5pm to 7pm online (please note revised date)</p>

Approved as an accurate record by the Finance and Resources Committee at its meeting on 9 November 2022

*Clare Mitchell
Director of Governance*