

Meeting commenced: 16.20

Meeting ended: 17.30

PRESENT

Mr Andrew Baird

Mr Simon Bland

Mrs Jayne Dickinson

Mr Ray Elgy

Mr Phillip Kerle

Independent Member

Independent Member

Principal and Chief Executive

Independent Member

Independent Member

Chair

IN ATTENDANCE

Mrs Jyoti Baker

Mr Kevin Standish

Ms Mitzi Gibson

Vice Principal: Finance and Resources

Deputy Principal: Curriculum and Standards

Director of HR and Professional Development

CLERK

Mrs Sue Glover

Clerk to the Corporation

The Clerk advised that the Chair, Mr Ray Elgy, had been unavoidably delayed and would be late arriving. It was agreed that as the Audit Committee was meeting immediately following this committee, the meeting would start and Mr Andrew Baird would act as Chair until Mr Elgy arrived.

FRC.01.18 DECLARATION OF INTERESTS

Members and officers were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

FRC.02.18 APOLOGIES FOR ABSENCE

There were no apologies for absence.

FRC.03.18 NOTIFICATION OF ANY OTHER BUSINESS

Members agreed that there was no other business to be considered.

FRC.04.18 UNCONFIRMED MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 23 NOVEMBER 2017

The minutes of the meeting were approved and signed as a correct record, subject to minor amendments as discussed.

FRC.05.18 MATTERS ARISING AND ACTION POINTS FROM THE MINUTES OF THE MEETING

Members agreed that there were no matters arising from the minutes of the meeting.

Members noted that all Action Points arising from the meeting had been addressed to the satisfaction of the Committee.

FRC.06.18 RISK MANAGEMENT: SPRING TERM 2018

The Vice Principal: Finance and Resources presented, for consideration and approval, a report which provided an update on the assessments and actions for the risks assigned to the Committee.

Ray Elgy and Kevin Standish arrived. Mr Elgy took over as Chair.

Members were advised that the Risk Management Committee had met on 8 February 2018 and engaged in a process that enabled deliberations by College management on the process of identifying risks and to agree changes to the risk register

Members reviewed each of the identified risks assigned to the Committee together with the contributory factors, early warning mechanisms, mitigating factors and actions taken and agreed to the proposed amendments for:

- **Risk S11 'Failure to maintain 'good' financial health':**
'Fundamental' risk – no change
- **Risk S4 'Failure to achieve income targets':** 'Fundamental' risk – no change
- **Risk O2 'Severe IT failure':** 'Significant' risk– no change
- **Risk S8 'Poor alignment of strategic planning and financial planning':** 'Significant' risk – no change
- **Risk S6 'Inability to attract/retain and develop staff with the required mix of skills':** 'Significant' risk – no change
- **Risk F3 'Exposure through relationships/partnerships with other providers/institutions':** 'Significant' risk – no change
- **Risk S12 'Failure to deliver on capital investment':** 'Significant' risk – no change
- **Risk C1 'Serious breach of Health and Safety legislation':**
'Significant' risk – no change
- **Risk C2 'Serious breaches of legislation':** "Minor" risk – no change

Members noted the key impact measures arising from the report, in particular the Strategic implications.

RESOLVED

The Finance and Resources Committee approves the Risk Register: Spring Term 2018 relative to its risk assignments and commends the report for approval by the Corporation Board

FRC.07.18 COLLEGE POLICIES

The Vice Principal: Finance and Resources presented, for consideration and approval, the following College policies:

- **ESC 30 Drugs and Alcohol Policy**
- **ESC 32 Environment Policy**
- **ESC 24b Staff IT Usage Policy**

The Committee was advised that

- a regular cycle of reviews ensures that College policies take account of any changes in legislation
- the policies have been reviewed and approved by the College Directorate

- minor changes proposed to previously approved policies are required to keep them updated regularly

Members reviewed each of the policies and agreed with the proposed amendments and were advised that

- a new section has been added to the Environment Policy to include best practice for the control of building temperatures
- staff are notified of any changes to the Staff IT Usage policy once it has been approved by the Board

Members noted the key impact measures arising from the report, in particular the Risk implications.

RESOLVED

The Finance and Resources Committee approves and commends for endorsement by the Corporation Board

- **ESC 30 Drugs and Alcohol Policy**
- **ESC 32 Environment Policy**
- **ESC 24b Staff IT Usage Policy**

FRC.08.18 ANNUAL SCHEDULE OF MEETINGS OF THE CORPORATION BOARD AND COMMITTEES: 2018/19

The Clerk to the Corporation presented, for consideration and approval, the Annual Schedule of Meetings of the Corporation Board and Committees: 2018/19.

The Committee was advised that

- the schedule reflected that of the current and previous years
- the second meeting of the Learning and Quality Committee in the Autumn Term has been moved to the middle of January to facilitate the approval of the final version of the College Self-Assessment report before it is submitted to Ofsted at the end of January

Members noted the key impact measures arising from the report, in particular the Strategic and Risk implications.

RESOLVED

The Finance and Resources Committee approves and commends to the Corporation Board the Annual Schedule of Meetings of the Corporation Board and Committees: 2018/19

FRC.09.18 HUMAN RESOURCES REPORT: SPRING TERM 2018

The Director of HR and Professional Development presented, for information, the Human Resources Report for the period September 2017 to January 2018.

Members considered the detail of, and discussed issues arising from the report, in particular

- Staff Utilisation/Efficiencies
 - staff utilisation continues to be a focus for the Executive team to ensure that established staff hours are fully utilised
 - a number of key posts have been successfully recruited
- Staff Turnover
 - College turnover remains under the current AoC benchmark
- Attendance Management
 - The current College attendance figure is currently slightly over both the College KPI of 97% and the AoC average of 96.9% (2015/16 benchmark)
- Collaboration work with other Surrey FE Colleges
 - The College continues to work closely with other Surrey FE colleges on various initiatives, such as benchmarking of Policies and Procedures as they become due for renewal
- Equality and Diversity
 - The analysis of the trends in the profile of staff continues with the aim of mirroring as far as possible the local and student populations
- Continuous Professional Development (CPD)
 - CPD continues to be a focus to ensure that staff are suitably up-skilled and knowledgeable to provide excellence in their roles
 - completion of online training modules by established staff remains high
- the Conference Day for staff in December was well received with a number of training initiatives delivered
- Legislation Update
 - Gender Pay Gap Report – March 2018
 - General Data Protection Regulation (GDPR) Bill – May 2018

Members reviewed the HR KPI dashboard to 31 January 2018.

AGREED

The Finance and Resources Committee receives and notes the Human Resources Report: Spring Term 2018.

FRC.10.17 FINANCIAL REPORTING

The Vice Principal: Finance and Resources presented, for information, the Management Accounts for the period to 31 January 2018 together with the KPI Dashboard for Finance.

Members considered the detail of the accounts, noting:

- The mid-year January 2018 accounts reflect an operating surplus of £392k

- The college has received confirmation from the ESFA regarding in-year growth numbers and a further allocation has been granted for 117 students. Additional student numbers were enrolled from the school links programme, making a positive contribution, along with the 5 day provision income will revise the February forecast to a surplus of circa £500k
- Cash balances at the end of January - £5.8m
- Following approval by the Board to maximise deposit income, the College has opened an account with Lloyds Bank and £0.7m is held in a 32 day call deposit and £3m in a 95 day notice account at an interest rate of 0.7%
- The College continues to meet its bank covenants
- The forecasts for 2018/19 and 2019/20 remain unchanged. The assumptions in the three year financial plan have been reviewed and there is no significant change
- Surrey Skills Limited – remains a dormant subsidiary of the College

In discussion, members agreed that, whilst the College and the sector continues to face significant challenges, East Surrey continues through strong budget management and by investing in growth opportunities to ensure a sustainable long term future.

It was noted the key variances in the pay reflected the agency costs to fill three key posts while recruitment was taking place and it was confirmed that these have now been filled.

Members reviewed the KPI Dashboard for Actual against Budget and Actual against the same period for the prior year for

- Tuition Fees
- Employer Engagement Income
- Additional Contract Income
- Staff FTEs
- Staff costs as a percentage of total income
- Staff costs as a percentage of total income excluding subcontract
- Cash balance at month end
- Supplier invoice payment days
- 12 month rolling cashflow forecast

The Committee noted the impact measures arising from the report, in particular the Strategic and Risk implications.

RESOLVED

The Finance and Resources Committee receives and notes the Management Accounts for the Period to 31 January 2018 and the Finance KPI Dashboard for period 6.

FRC.11.18 ESTATES UPDATE AND HEALTH AND SAFETY REPORT: SPRING TERM 2018

The Vice Principal: Finance and Resources presented, for information, the Health and Safety Report: Spring Term 2018.

Members noted the number of works currently being managed as part of the capital bids programme:

- Replacement of exposed plant insulation to roof areas
- Welding workshop at Gatton Point South
- Gas assessment bays
- Insurance claim – subsidence works at Gatton Point South
- Cracking at Gatton Point North

Members reviewed the key issues in the Health and Safety report:

- The College Health and Safety Committee met in January 2018
- Additional fire marshals have been identified and trained
- Evacuation chair training for staff
- Student risk assessment process for students with medical needs
- Implementation of a new Safe System of Work documentation for work shops

Members were advised that there had been a large number of absences at the Health and Safety Committee meetings due to a clash with offsite enrolment and school's liaison meetings. Attendance has also been affected as some staff and technicians have also been teaching. It has, therefore, been proposed that the Committee should meet at the end of each term when curriculum staff would find it easier to attend. Members agreed that this was a sensible approach as it was important to ensure that staff were able to be present.

Members reviewed the accident statistics log attached to the report, noting that there were no RIDDOR reportable incidents during the term.

The Committee noted the key impact measures arising from the report.

AGREED

The Finance and Resources Committee receives and notes the report.

FRC.12.18 ANY OTHER BUSINESS

There was no other business.

FRC.13.17 SCHEDULE OF MEETINGS: 2017/18

Thursday 28 June 2018 commencing at 18.00

At the conclusion of the Part 1 meeting, members moved into a meeting restricted, in accordance with the requirements of the Instrument and Articles of Government and with Section 22 of the Freedom of Information Act 2000, to the members of the Corporation and to senior members of staff of the College.

SIGNED AS A CORRECT RECORD:

DATE: 28 June 2018

A handwritten signature in black ink, appearing to be 'D. D. Egan', is written over the date.