



FINANCE, STAFFING AND GENERAL PURPOSES COMMITTEE

Minutes of Meeting on Thursday 23 March 2017

Present:	Mr S Holderness (<i>Chair</i>)	Governor
	Ms S Munden	Staff Governor
	Mr M Sim	Principal
In Attendance:	Mr H Ravat	Vice-Principal Resources
	Mr R Mansfield	Clerk

Ref.		Action
F/17/11	<p>Item 1 – Apologies for Absence: Apologies for absence were received from Harshad Solanki and James Bagley. The meeting was declared quorate.</p>	
F/17/12	<p>Item 2 – Declaration of Interests in Agenda Items: There were no declarations of interest in agenda items.</p>	
F/17/13	<p>Item 3 – Minutes of Previous Meeting and Matters Arising: The minutes of the meeting on 19 January 2017 were accepted as an accurate record and were duly signed by Steve Holderness. Robert Mansfield said that in the absence of James Bagley he had held over until the next meeting the revised report on class sizes and programme efficiencies. Martin Sim said that it was hoped to bring a more meaningful report with external benchmarks to the next meeting. It was confirmed that the other actions set out in the minutes had been taken. There were no other matters arising.</p>	RM
F/17/14	<p>Item 4 – Estates Issues: <i>4.1 Estates Matters</i> Hamid Ravat reported that detailed Planning Approval for the Blackbird Road site had been obtained in February 2017. Barratts were working through the onerous planning conditions with Leicester City Council, lawyers and the Land Agent to resolve compliance and costing issues. There were no other estates matters of significance to report. Completion appeared likely within the current academic year. He assured Martin Sim that the costings would be based on national guidelines and that the Land Agent would provide appropriate assurance. Preliminary consideration was being given to the programme</p>	

of summer works. It appeared likely that the works would include the upgrading of the classroom space temporarily converted for laboratory use during the previous summer break to a fully functional science laboratory.

Steve Holderness pointed out that OfSTED had highlighted a shortage of independent learning space and asked that further consideration should be given to this matter. Robert Mansfield reminded the meeting that a further report on this was due to be presented at the next meeting.

HR

The meeting received the oral report on estates issues.

4.2 Health & Safety Statistics

Hamid Ravat presented the health & safety statistics to 15 March 2017. The report showed a small year-on-year increase in reported incidents. This was attributable to a rise in health-related incidents rather than accidents. There were no concerning trends.

The meeting received the health & safety statistics.

F/17/15 Item 5 – Finance Issues:

5.1 Learner Numbers and Funding 2016/2017

Hamid Ravat presented a report on learner numbers and funding based on the February Individual Learner Report. He estimated that about 70 of the 1,720 learners recruited had by now left the College. Martin Sim said that his analysis showed that the College needed to deliver a narrower curriculum with larger class sizes and a smarter timetable. This would in turn create a sustainable platform for eventual growth. Too much choice was currently on offer and this was confusing to learners. Steve Holderness said that it was important that the College provided programmes that enabled its learners to progress to Higher Education or employment. Martin Sim said that he expected to question some of the present curriculum offer. In the short term this would be likely to result in a fall in learner numbers, with a less than proportionate reduction in funding for 2018/2019. Steve Holderness said that he hoped such a move would support an improvement in results. Shirley Munden said that she believed that this would be welcomed by partner schools. Martin Sim considered that staff would be generally supportive.

The meeting received the learner numbers and funding report.

5.2 Operating Results 2016/2017

Hamid Ravat presented the operating results to February 2017. In the first seven months the College had generated a deficit of £474K, £184K worse than budget. Income was in line with budget, and Leicester City Council had just approved additional funding of £100K for high needs learners. Pay

expenditure was £185K above budget, mainly attributable to higher teaching staff pay. The College had both recruited a higher number of students and experienced a fall in the average class size from 16 to 15. This fall had arisen because the more successful curriculum areas had had to recruit extra staff whilst less successful areas had plateaued. Non-pay expenditure was in total close to budget. Within this there were adverse variances for teaching departments and administration related to higher recruitment and action following the OfSTED inspection. He predicted that the year 2016/2017 would produce an operating deficit of about £250K. Steve Holderness said it was clear that work was needed to bring pay expenditure into line with what the College could afford in future years. Martin Sim said that the College would have some additional funding in 2017/2018 and that there was scope for economies. The College was in a very sound financial position. However further investment would be needed to create a secure future. Steve Holderness said that there would need to be strong supporting reasons to justify any deficit. Hamid Ravat advised the Committee that cashflow would be adversely affected during 2016/2017 by about £350K, though the year end position was not a matter for concern. The financial KPIs showed a mixed picture in view of the deficit. The College's solvency remained very strong. The pay percentage (currently 80% and due to fall to 74% by the year end) was too high. Steve Holderness said that the Committee wished to see a turnaround by the next academic year, and could not countenance continuing deterioration. Martin Sim said that the biggest risk to the College would relate to the impact of redundancies if these proved necessary.

The meeting received the operating results.

5.3 Funding Allocation 2017/2018

Hamid Ravat presented a summary of the funding allocation for 2017/2018 recently received from the Education Funding Agency (EFA). Although this was based upon the higher numbers recruited in 2016/2017 funding had been adversely affected by the funding profile of the previous year's learners. As a result 441 18+ learners would be funded at the rate of £3,300 per annum only. The funding profile of the current year's learners would also adversely affect funding in 2018/2019. The College would also cease to receive formula protection funding (currently £87K) in 2017/2018. Steve Holderness said that the ethos of the College had been to accept students who had hitherto performed less well and that any rebalancing would need to be handled with care. Martin Sim said that he was aware of the sensitivity but he

believed the College had come to be seen as 'a soft touch'. Steve Holderness said that the Committee was not expecting to see a deficit budget for 2017/2018. Martin Sim said that it might well be possible to achieve breakeven or slightly better in that year.

The meeting received the report.

F/17/16 Item 6 – Human Resources Issues:

6.1 Staffing Update

Hamid Ravat presented the staffing update. Staffing numbers were five FTE above budget. Martin Sim said that there was a need for a more robust approach and tighter control. Steve Holderness urged that each case should be treated on its merits, and that full consideration should be given to internal candidates before resorting to external recruitment. Hamid Ravat reported that sickness absence was now running at above national benchmarks. He advised Steve Holderness that although year-on-year comparisons showed an increase he was hopeful that this was not evidence of a concerning trend, as half of the absence was attributable to physical rather than mental health conditions. He agreed with Martin Sim that a more robust approach was needed. Martin Sim said that the current imperative to improve quality might be diverting attention from such matters, although the level of sickness absence appeared too high.

The meeting received the staffing update.

6.2 Staff Survey 2016 Action Plan

Martin Sim reported on recent contact with staff: at the staff meeting on 13 March, meetings with staff groups and many walkabouts. There were currently consultations on student entry qualifications and timetabling. There had been great efforts to increase visibility, which had apparently been well received. He had received positive feedback from many individuals.

Martin Sim said that he was considering how best to approach the next staff survey, and was considering whether to use a climate survey. Robert Mansfield advised him to pave the way carefully if there was to be any change of approach, given the likely expectations of continuity and the trust placed by staff in the previous provider.

The meeting noted this report.

F/17/17 Item 7 – Marketing Issues:

7.1 Marketing Update

Robert Mansfield informed the meeting that he had been asked by James Bagley to report that the only recent significant event in relation to the marketing plan had been

the Parents' Evening. This had attracted a smaller attendance than the very high number at the November Parents' Evening. Martin Sim said he regarded this as further evidence of students enrolling without having education as a primary aim. In future he felt that the first Parents' Evening should take place in September with a clear focus on what the College expected of students. Steve Holderness said that the first meeting should blaze a trail for subsequent parents' evenings. Shirley Munden said that this had been tried previously, but then abandoned because of the unavailability of subject teachers. Hamid Ravat advised Martin Sim that the College had considered giving parents access to the attendance data held in CEDAR. Martin Sim saw this as a reason to hold a further parents' evening. Hamid Ravat assured Steve Holderness that the College had the right to share the data as this was covered by the learner agreement.

Martin Sim also reported that at the College's recent HE Fair twenty universities had been represented, of which perhaps 25% were 'high tariff' universities. He said that the College needed to set up an effective programme for gifted and talented learners.

The meeting received the marketing update.

F/17/08 Item 8 – General Issues:

8.1 Progress against Strategic Targets 2016/2017

Martin Sim provided observations on the strategic plan. He advised the meeting that the College SAR needed to be rewritten and that when this had been done the strategic plan should also be rewritten. He felt that effort would be best spent on developing a plan for 2017/2018. He had received feedback from staff on their concern about the future direction of the College, and in particular the prospect of being late participants in an incremental merger. He in turn was concerned about the potential loss of the best people in the face of this. He planned to share with the Chair of Governors his understanding of the views of other local Principals and believed it might be helpful for the Board to clarify its preferred outcome.

The meeting noted these observations.

8.2 Public Access and Confidentiality Policy

Robert Mansfield presented a revised version of the public access and confidentiality policy. He had made minor changes to the previous wording in the interests of clarity and added a paragraph on access to meetings. There was a considerable debate about the latter. Martin Sim said he saw it as critical that senior staff should be able to speak freely to governors and felt that this might prove difficult in certain

circumstances in committees, given the wording proposed. He felt that any potential difficulty at Board meetings could be avoided by having Chairs report the headlines of committee meetings. After considerable discussion, it was agreed that Robert Mansfield would amend the proposed wording to reflect the concerns of Martin Sim and then email a revised version to members for further endorsement.

RM

Subject to the action above, the Committee commended the public access and confidentiality policy to the Board for endorsement.

8.3 EFA/SFA Assessment of Financial Health 2015/2016

Hamid Ravat presented a letter from the Education Funding Agency advising the College that the assessment of its financial health and underlying financial health in 2015/2016 was outstanding. Steve Holderness said that governors should take comfort from this assurance and he congratulated Hamid Ravat and his team on a very positive report. It was noted that for the current year the assessment was likely to be reduced to good.

The Committee received this report.

F/17/19 Item 9 – Date and Time of next Meeting:

The date and time of the next meeting were confirmed as Thursday 18 May 2017 at 5.30 p.m. at the College.

F/17/20 Item 10 – Any Other Business:

There was no other business.