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| **MINUTES** | | | | | | |
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| *Finance and Resources Committee No 34* | | | | | | |
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| Date: |  | *09/03/2021 (Tuesday)* |  | Time: |  | *18:00–20:00* |
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| Venue: |  | *Via Teams* |  | Committee: |  | *Finance and Resources* |
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| Notes: |  | *The meeting will be held via video conference* | | | | |
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| Present: |  | *Alison Robinson (Principal), Clare James, Rafik Adam and Sue Collinge (Chair)* | | | | |
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| Attending: |  | *Joanne Sherrington (Deputy Principal), John Wherry (Deputy Principal) and Steven Downham-Clarke (Vice Principal)* | | | | |
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| Clerks: |  | *Ron Matthews (Clerk)* | | | | |
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| Guests: |  | *Allan Foster* | | | | |
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| Apologies: |  | *David Hall* | | | | |
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| ***Public* Minutes** | |
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| Item number: | Item description: |
| (and category) |  |
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| **13.21** | ***Attendance of College Management Staff*** |
| ***Decision*** | Section 8.2 of the current Constitution and Terms of Reference for the Finance & Resources Committee states:  College management and/or consultants may attend meetings by invitation in an advisory capacity.  **Resolved:**  **That College Management Staff attend the meeting.** |
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| **14.21** | ***Apologies for Absence*** |
| ***Record*** | Apologies for absence had been received from David Hall. |
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| **15.21** | ***Minutes of Previous Meeting*** |
| ***Decision*** | The public minutes of the Finance & Resources Committee meeting number 33 held on 19 January 2021, published on the extranet, were agreed and signed as a true and correct representation of the meeting. |
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| **16.21** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interest made in respect of items on the public agenda. |
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| **17.21** | ***Strategic Plan Progress Report*** |
| ***Decision*** | |  | | --- | | The Committee considered the Strategic Plan Progress Report for the Finance and Resources Committee. The key performance indicators related to income, the Capital Plan, Human Resources Statistics and Financial Performance. The report was based on the new Strategic Goals of People and Sustainability.  Staff sickness and retention were better than target but the Riddor accident rate was above a target of less than 3% for this time of year but not a concern.  Sustainability indicated that Myerscough Ventures contribution was behind target due to the pandemic and lockdown.  The remaining financial indicators (surplus, cash days, cash balance, EBITTDA, borrowings as a % of income) were on or above target with the exception of the 14 to 16 age group and HE part time student numbers, both of which were behind target although not by a significant amount with two terms remaining.  Recruitment to FE was approximately 162 above target whilst HE was down on part-time students.  The Capital Plan was anticipated to be delivered on time and within target.  **Resolved:**  **That the Strategic Plan Report be received.** | |
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| **18.21** | ***FE Commissioner Letter*** |
| ***Decision*** | The Committee considered a termly letter from the FE Commissioner, Richard Atkins, dated 22 February 2021, which thanked Colleges for their support during his term of office which would end on 31 March 2021.  The letter also made mention of changes to the Financial Benchmarks used by the Commissioner and attached an appendix to the letter setting out the definitions and methodology, with reference to ESFA financial templates.  The Deputy Principal, Finance and Corporate Services, made mention of the changes in her monthly accounts report later in the agenda.  **Resolved:**  **That the letter and changes to the financial benchmarks be noted.** |
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| **19.21** | ***Financial Position Statement for the Period ended 31 January 2021*** |
| ***Decision*** | The report was presented by the Deputy Principal, Finance and Corporate Services. This included a statement of comprehensive income together with a detailed analysis. The statements showed the actual results for the period up to 31 January 2021, together with the outturn for 2019-20, the budget for 2020-21, which was approved by the Board in July 2020 and the Forecast for 2020-21. The Balance Sheet as at the period end was also included, together with details of Cash Flow for the year to 31 July 2021 and forecast Cash Flow to July 2022.  Overall College income was £14.888m against a budget of £15.331m.  Surplus income of £992k was £29k ahead of budget. This continuation of the promising start to the year given the current financial climate, although this only included one month of the current lockdown with minimal residential students on campus. A reduction in income owing to limited commercial and student related activities (due to reduced footfall on campus) had been offset by cost savings. EBITDA to income percentage had dropped slightly to 13.73% against a forecast of 13.24% but remained healthy.  The actual payroll to income ratio was 58.2% compared to a budgeted ratio of 56.8%, a slight decline for the month.  Cash balances at the period-end were £9.639m compared to an expected £8.497m as forecast. Cash days stood at 120 days.  The College had also received approximately £400k of growth funding in the current year as a result of the increase in the number of FE students over the original funded allocation.Ventures accounts income was down to control budget by £16k; savings of £5k in pay and a £5k adverse variance in non-pay, overall given the turbulent conditions the result was being managed within the control budget. The current gross margin is £227k against a control budget of £244k.  The report included the full details of capital expenditure. Expenditure was currently £1.396m against a revised budget of £2.904m, which included the additional funding of £695k from the ESFA.  **Resolved:**  **That the report be received.** |
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| **20.21** | ***Farm Reports*** |
| ***Decision*** | The Deputy Principal, Resources, presented a report on the farm up to 31 January 2021.  Income from sales was slightly above budget at £548,761, whilst pay and non-pay being £575,825 was 28% of the deficit budget at £27,054.  Governors sought clarification regarding some of the terms used in the report to which the Deputy Principal responded.  The performance of the farm would continue to be closely monitored throughout the remainder of the year.  Also circulated with the report was the farm monitoring plan for 2020/2021.  **Resolved:**  **That the reports be received.** |
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| **21.21** | ***Financial Regulations Annual Review*** |
| ***Decision*** | The Committee considered the report of the Deputy Principal, Finance and Corporate Services, on a review of the Financial Regulations.  The Financial Regulations required review on an annual basis and the changes to the previous version of the document had been highlighted.  Due to level of amendments to the document it was  **Resolved:**  **That the Corporation be recommended to adopt the revised Financial Regulations with effect from 1 April 2021.** |
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| **22.21** | ***HE Tuition Fees Policy and Procedure 2021/2022*** |
| ***Decision*** | Finance & Resources Committee gave consideration to the proposed Higher Education Tuition Fees for 2021/2022. To ensure compliance Myerscough was required to work with UCLan to agree the fee structure for new entrants in 2021/22 as part of the Access Agreement and also in line with the requirements of the Office for Students.  The College current recommendations were based on the existing fee cap of £9,250 for full time students.  The report included a summary of the fees including part time and international students.  **Resolved:**  **That the HE Tuition Fees be submitted to Corporation for approval.** |
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| **23.21** | ***HE Bursary Fund Policy and Procedure 2021-2022*** |
| ***Decision*** | The Committee gave consideration to the review of the HE Bursary Fund Policy and Procedure for 2021-2022. Only minor amendments had been made to the Policy and Procedure from the previous year.  **Resolved:**  **That the revised HE Bursary Fund Policy and Procedure be agreed as remaining fit for purpose.** |
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| **24.21** | ***Subcontracting Supply Chain Policy, Fees and Charges - Review*** |
| ***Decision*** | The Committee considered the annual review of the Subcontracting Supply Chain Policy. The Committee noted that there were no significant changes to the policy.  **Resolved:**  **That the Committee agree that the Subcontracting Supply Chain Policy, Fees and Charges remains fit for purpose.** |
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| **25.21** | ***Statutory Risk Register*** |
| ***Decision*** | |  | | --- | | The Finance and Resources Committee considered the Strategic Risk Report for 2020/2021 as presented by the Deputy Principal, Finance and Corporate Services. Included in the report was a reference to the risk appetite statement, risk assessment framework and risk heat map.  The Deputy Principal had reviewed the Register and re-ordered it to match the revised Strategic Aims of the College. Governors welcomed the revised report. |   **Resolved:**  **That the Strategic Risk Register report be received.** |
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| **26.21** | ***Human Resources Report for the Period Ended 31 January 2021.*** |
| ***Decision*** | |  | | --- | | The Committee considered the above report, which contained analysis of staff turnover, breakdown analysis of leavers, staff stability index and staff sickness statistics for the year up to 31 January 2021. |   The Committee noted that staff turnover was currently much better than target at 12.7% and  better than the AoC benchmark. This was due in the main to the Covid pandemic and the resulting economic uncertainty.  Overall staff sickness was being closely monitored at 1.79% and was better than the target of less than 3%. The AoC benchmark was also 3%. Long term sickness of 5 employees was just under the target of 6.  Circulated with the HR report was a report on the Gender Pay Gap for the period 1 April 2020 - 31 March 2021.  Gender pay was the difference between the average earnings of working men and women within an organisation; it differs from equal pay which was about differences in pay for the same work, similar work, or work which is of equal value.  The results for the College were:   |  |  |  | | --- | --- | --- | | **Myerscough College Mean and Median Pay:**  **Calculation Type Year Percentage**  **Mean Gender Pay Gap 2020 15.09%**  Mean Gender Pay Gap 2019 13.8%  **Median Gender Pay Gap 2020 26.27%**  Median Gender Pay Gap 2019 26.3%  The above information had been published on the College website as required by the legislation.  **Resolved:**  **That the reports be received.** |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |
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| **27.21** | ***Health and Safety Report for the Period Ended 31 January 2021*** |
| ***Decision*** | |  | | --- | | Members gave consideration to the Health and Safety Report for the period ended 31 January 2021, which provided an analysis of accident statistics over the period, together with other Health and Safety activities including policy updates, staff training, free health checks, auditing and inspections.  Overall, the number of accidents had decreased by 56 compared to the same period last year mainly due to there being a reduced number of staff and students on campus due to the pandemic. There were no RIDDOR reportable accidents during the period.  Analysis indicated that of the 56 accidents –  12 (28%) were taken to hospital -12 students  21 (43%) received first aid treatment  14 (29%) needed no treatment  72% of accidents were either treated on site or required no treatment.  The report included details of recent audits, training and drills.  Work continues on Covid training, prevent measures and testing.  Lateral flow testing was continuing and during the period 278 students were tested with 2 returning positive results, with 263 staff tested and no positive results.  The majority of staff were tested twice a week and students once a week.  A Covid staff survey was issued in December 2020 with 270 respondents. Questions mainly covered safety and communications with positive results above 90%.  **Resolved:**  **That the report be received.** | |
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