

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held on Thursday 05 December 2019

Membership: *E Johnson (Chair)
J Bedford
J Breen
*B Spencer
K Spencer
*P Taylor

** Denotes Present*

In attendance: W Allanson, Deputy Principal
P Whitehead, Vice-Principal
D Morgan, Executive Director – Finance & Facilities
S Appleby, Executive Director – HR Services
R Lucas, Head of Governance

801 Apologies for Absence

Apologies for absence were received and accepted from J Bedford, J Breen and K Spencer.

802 Declaration of Interest

E Johnson declared that he is an Essex County Councillor.

803 Minutes of the Previous Meeting

The minutes of the Resources Committee meeting held on 24 June 2019 were agreed as an accurate record and signed by the Chair.

804 Matters Arising from the Minutes (not mentioned elsewhere on the agenda)

There were no matters arising.

805 ESFA Letter – Harlow College Financial Plan 2019 to 2021

The Resources Committee received and considered the ESFA letter, presented by D Morgan, Executive Director – Finance and Facilities.

D Morgan informed Governors that the letter confirms that the College's financial health rating is good and Governors noted the dashboard which accompanied the letter.

P Taylor asked what the debt charge graph represents as the College's debt to borrowing ratio is decreasing, however the graph is showing an increase. D Morgan confirmed that in 2020/21 one of the College's loan is to be reviewed and the graph shows a £3m repayment. Governors noted that this needs to be recorded as a short-term liability. D Morgan confirmed that the figures are per the financial plan agreed by

the Corporation in July 2019 however the graph does not reflect what the figures are likely to be in 2020/21.

The Corporation noted the ESFA letter.

806 Management Accounts for the period 1 August 2019 – 31 October 2019

The Resources Committee received and considered the Management Accounts for the period 1 August 2019 – 31 October 2019, presented by D Morgan, Executive Director – Finance and Facilities.

The management accounts were discussed in detail and the following points were noted / raised:

- The forecast year-end surplus is £6,779k however this includes the non-cash donation of the UCH building by ARU to the College.
- Student numbers and recruitment are on track and therefore the associated funding body income is also on track.
- There has been an increase in catering income which is mainly due to the second year intake at Stansted Airport College.
- Staff salary costs are on target and an allocation for vacancies has been included in the budget.
- The July salary costs show a sharp increase. This is due to year-end adjustments such as payment for untaken annual leave, expenses and pension costs directly related to payroll. P Taylor highlighted that August 2020 figures would be useful as a comparator and to demonstrate that the salary costs are not forecast to remain so high. D Morgan suggested putting in an explanation in the management accounts.
- All other income lines are on target.
- Cash continues to be monitored tightly.
- Capital expenditure is planned however the College ensures that it has enough cash to cover the capital expenditure throughout the year and the planned work is subject to change based on funding available.

The Resources Committee approved the Management Accounts for the period 1 August 2019 – 31 October 2019.

807 Annual Human Resources Report 2018/19

The Resources Committee received and considered the HR Annual Report 2018 – 2019, presented by Sally Appleby, Executive Director of HR Services.

S Appleby informed Governors that the College uses the AoC and CIPD benchmarks however the AoC figures for 2018/19 have not yet been released so the benchmarks used in this report are for 2017/18 and only 40% of colleges responded to the survey.

S Appleby reported that overall average sickness absence days per year per employee was 9.88 compared to 6.41 the previous year. Short-term sickness has increased from 3.9 days to 4.75 days whereas long-term sickness has decreased from 3 days to 2.13 days.

Governors' attention was brought to Table A which provided a breakdown of sickness absence per category of staff. Governors were informed that there are some gaps in the

table due to the reclassification of staff as requested by the Resources Committee in December 2018. Governors noted the staff categories with the highest sickness absence rates are Delivery Support Team Member and Apprenticeship Teaching Team Member. Delivery Support Team Member has an absence rate of 13.10 which equates to 511 days. There are 39 staff in this category, 9 of which are on long-term sick leave and 5 of which have stress-related absences. Apprenticeship Teaching Team Member has an absence rate of 16.00 which equates to 56 days for 4 staff members, 2 of which have stress-related absences.

Governors were informed that there has been a 61% increase in stress-related absences across the organisation from 626 days to 1,009 days. The largest staff category is Delivery Teaching Team Member with 428 days across 13 staff members. 324 days of absence by 8 staff members were due to personal-related stress and 104 days absence by 5 staff members were due to work-related stress.

The College continues to monitor and address sickness in line with the College's policy and the absence threshold system was explained to Governors. E Johnson asked if employees have an interview with their manager when they return from any period of sickness absence. S Appleby confirmed that this does take place and highlighted the difference between these meetings and the sickness threshold meetings.

Governors' attention was brought to the occupational health case analysis and it was noted that the number of appointments had doubled, with 62 members of staff being referred to and seen by occupational health. S Appleby highlighted the reasons staff attended occupational health appointments and informed Governors that the sickness reason is categorised by what is stated on the doctor's certificate.

S Appleby informed the Committee that the College's staffing profile has not changed significantly, with the total number of staff having increased by 2 to 438. The most significant increase in the profile is in senior tutors, mainly at Stansted Airport College.

S Appleby reported that overall staff turnover has decreased from 19.02% to 15.83%. Unplanned turnover (due to resignations and dismissals) has increased from 11.22% to 12.39% and S Appleby confirmed that this compares favourably against AoC benchmarks. S Appleby reported that turnover at Stansted Airport College is higher than at Harlow College and the reasons for this are being explored and addressed. Of particular note is the salaries that specialist staff can earn in industry compared to what the College can offer. S Appleby and W Allanson updated the Committee on actions being taken to address this, including using specialist agencies to help with recruitment and holding an insight day for potential candidates to gain an insight into the College and the FE sector.

Governors' attention was brought to the employer relation cases and were informed that the number of cases is small however a large number of dealt with at any informal level.

Governors noted the gender pay gap profile which was reported as of 31 March 2019 in line with national requirements, Governors noted that there has been a slight increase in the mean and median hourly rate pay gap. The main areas this is seen are amongst Delivery Support Teams and Executive and Head of Academy level. Governors noted that the figures have been slightly affected by the re-categorisation of posts. E Johnson highlighted the gender split on interview panels and that if it is College policy to have such a split, then the College should be fully implementing it. S Appleby confirmed that this is

strived for however it is not always possible due to the overall male, female split across the College and the male, female split in management positions. A discussion was held around this and it was agreed that regardless of who is on the panel, it should not make a difference in appointing the right person for the job. It was agreed that if the ethos of the College is that gender is not an issue, then the College should not be striving to achieve this gender balance on interview panels. S Appleby confirmed that there is no legal requirement for the College to have a gender-balanced interview panel.

The Committee was informed that the pay element of the collective agreement has been fully implemented and that the review of the tutor role is currently being undertaken.

Governors were also informed that a staff survey has been completed and feedback from this is being taken forward.

The Committee noted the other HR developments as outlined in the report.

The Resources Committee noted the HR Annual Report for 2018/2019.

808 Disclosure and Barring Service Checks Policy

The Resources Committee received and considered the Disclosure and Barring Service Checks Policy, presented by S Appleby, Executive Director of HR Services.

Governors were informed that following on from a recent internal audit, it was noted that the existing Policy did not document the arrangements the College has in place for the storage, location and access arrangements for DBS information. Section 11 has therefore been added to the Policy to document this.

The Resources Committee approved the Disclosure and Barring Service Checks Policy.

809 Any other business

There were no items of any other business.

810 Dates of future meetings

R Lucas informed the Resources Committee of the recent communication from the ESFA detailing the new requirement for Corporations to approve and submit the new integrated financial model for colleges to the ESFA by 29 February 2020. The Resources Committee meeting scheduled for March 2020 has therefore had to be changed in order to meet this requirement.

The new dates of future meetings are as follows:

Spring Term 2019	Thursday 13 February 2020	8.30am
Summer Term 2019	Thursday 07 May 2020	8.30am
	Thursday 23 June 2020	8.30am