

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held virtually on MS Teams on Wednesday 06 December 2023

Membership *Paul Taylor (Chair)
 *Julia Fillary
 *Liz Laycock
 Karen Spencer
 *Ed Whittle

*denotes present

In attendance Paul Whitehead, Vice-Principal
 Deanne Morgan, Executive Director – Finance
 Sally Appleby, Executive Director – HR Services
 Michael Travers, Health, Safety and Estates Manager
 Ruth Lucas, Head of Governance

1 Apologies for Absence

Apologies for absence were received from Karen Spencer and Will Allanson.

2 Declarations of Interest

There were no additional declarations of interest.

3 Minutes of the Previous Meeting

The minutes of the Resources Committee meeting held on 27 June 2023 were agreed as an accurate record and signed remotely by the Chair.

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

There were no matters arising.

5 ESFA Financial Health Rating Letter

The Resources Committee received and considered the ESFA financial health rating letter and ESFA Governing Body financial dashboard.

The Committee noted that the letter is a standard letter from the ESFA confirming the College's financial health rating as good for 2022-2023 and forecast to be good for 2023-2024.

The Resources Committee noted the ESFA financial health rating letter and ESFA Governing Body financial dashboard.

6 Management Accounts for the Period 1 August 2023 – 31 October 2023

The Resources Committee received and considered the Management Accounts for the period 1 August 2023 – 31 October 2023, presented by Deanne Morgan, Executive Director – Finance.

Governors were informed that the management accounts were the first full set of accounts for the year and all expenditure lines have been reviewed.

Governors were reminded that the College had secured an additional £1.6m income and therefore the plans and targets have been revised accordingly. The predicted surplus is currently just below the £15k forecast.

Governors were informed that differed capital grant income has increased however this an accounting adjustment rather than cash movement. Paul Whitehead reported that the College is adjusting and flexing its capital expenditure each day based as needs arise across the College.

Staff costs have increased due to the increase in learner numbers this academic year. In areas where it is hard to recruit, agency staff have had to be employed therefore the cost is greater. The College is working to reduce its spend on agency fees with some staff having been recruited permanently. Whilst it is positive there has been an increase in learner numbers, this has a knock-on effect on staff costs.

Paul Whitehead reported that the College has submitted its main return for 16 – 18 funding which determines learner numbers and funding for future years. Based on the way in-year growth is calculated, the College is currently at over-delivery of 111 learners. If a business case is successful, the College will be funded for any learners over 100 in year so this will equate to 11 learners. Next year, it would receive funding for the full 111 learners. The College is therefore unlikely to secure significant in-year growth this year.

Governors noted that all other areas in the accounts are on track, the financial health rating is good and the bank covenants are forecast to be met.

Deanne Morgan highlighted the project income and how this is now being reported, tracked and monitored separately.

A Governor noted that the way years are reported in different reports is inconsistent, with some ascending in tables and some descending. Deanne Morgan reported that some are ESFA templates which need to be used and the statutory accounts need to follow the prescribed format. Changes can be made to the management accounts if required.

A Governor asked if the Essex County Council and Institute of Technology income had been received. Deanne Morgan confirmed that the Essex County Council funding had and that the Institute of Technology funding is often slow being received. A Governor asked if the College has any concern that this income will not come through and Deanne Morgan reported that there was no concern and that another college is acting as the agent therefore it is a delay in their internal processes.

The Resources Committee noted the management accounts for the period 1 August 2023 – 31 October 2023 and the forecast position in terms of financial health and banking covenants.

7 Human Resources Annual Report 2022-2023

The Resources Committee received and considered the Human Resources Annual Report 2022-2023, presented by Sally Appleby, Executive Director – HR Services.

Sally Appleby highlighted the main challenges over the year and that the job market is currently challenging, with high levels of vacancies, particularly in hard to fill areas.

The College has been exploring every possible avenue to recruit staff using the new applicant tracking system, if advertising sources being used are successful and exploring new ways to recruit staff, including oversees recruitment, The College is receiving a steady flow of candidates from oversees however none have been recruited to date.

The College is looking at how it attracts and retains its staff which includes Real Living Wage accreditation, a new benefits package being introduced and redesigning its external jobs page. The College is looking to make itself competitive in the local area however it has maximised its terms and conditions for staff.

Following feedback from the latest staff survey, the HR team have increased engagement with staff and introduced a termly HR newsletter, which promotes, amongst other things, internal career paths and progression routes.

Governors were informed that staff turnover has increased by 1.37% to 15.02% however this is below the AoC benchmark of 17.8%. Governors noted that the College is retaining its experienced staff with longer service. A Governor asked about turnover as the College has lost some of its employees with longer service. Sally Appleby reported that some individuals with over 10 years' service have retired and that the lower service level numbers have increased as a number of the employees were either casual staff or on fixed-term contracts. A Governor said it would be interesting to see the turnover figures if casual staff and those on fixed term contracts were removed from the data. A Governor highlighted that the turnover graph is showing an increasing trend. Sally Appleby highlighted that despite the increasing trend, the College is still below benchmarks and turnover is good considering the current climate.

Sickness levels have decreased from an average of 9.07 per employee in 2021-2022 to 6.83 days in 2022-2023. There is active sickness management using the College's Absence Management Policy and early interventions are taking place with those on long term sickness.

Employee relations accounts for a significant amount of the HR workload. Resolution is sought at an informal level wherever possible, the number of letters of concern issued has increased however this is ensuring issues are dealt with at the earliest, informal stage before progressing to formal procedures. It was also noted that 16 grievances have been resolved at an informal stage and there had been no employment tribunal cases during 2022-2023.

Governors were informed that the profile of staff with teaching qualifications has increased from 167 in 2021-2022 to 176 in 2022-2023. A Governor highlighted that there were 234 staff in teaching roles and asked what percentage of staff are fully qualified. Sally Appleby reported that 176 which equates to 73% were fully qualified, with 29 (12%) being partly qualified and 35 (15%) being unqualified. It was noted that more context on getting staff qualified would have been useful.

Governors were informed that the areas of focus for 2023-2024 as follows:

- Staff recruitment, particularly in hard to fill areas.
- Improving the on-boarding processes for new staff.
- Launch of the new jobs page on the College's website.

- Implementing a number of employment laws changes that are being introduced in 2024.

A Governor asked if the College is making the most of promoting itself and its facilities, particularly in the hard to fill areas. Sally Appleby reported that the jobs page on the College's website will be significantly improved and each team will be promoted on there with promotional material relevant to their area however more could be done with how the College promotes itself regionally and nationally.

The Resources Committee noted and approved the Human Resources Annual Report 2022-2023.

8 Business Continuity Plan

The Resources Committee received and considered the Business Continuity Plan, presented by Michael Travers, Health, Safety and Estates Manager.

Governors were informed that the Plan is a strategic document to manage the College's response to any critical incident.

Proposed changes to the Plan are changes to job titles and minor updates to contractor details however Governors were informed that the Plan includes a snapshot of contractors used by the College at the time of the review of the Plan and that a separate comprehensive list of all contractors used is kept by the College.

A Governor asked if there is any testing of the Plan. Michael Travers reported that the College is not yet at the stage for scenario testing on site however it is working up to this. The College is currently focusing more on the controls on the ground before scenario testing. Deanne Morgan highlighted the walkthrough session that had been held and Michael Travers reported that theoretical scenario testing with key members of staff with key duties in the Plan has been undertaken for them to gain familiarity with the processes in the Plan. Governors were also informed that this area has been subject to internal audit in the last two years.

A Governor asked about if the Plan contains a section on dealing with building closures in light of what has happened with a local school and the RAAC issues faced by institutions nationally. Michael Travers reported that the Plan covers aspects of it however the Plan focuses more on wider-ranging issues. It does cover access to sites and who is responsible for taking forward processes to manage operations. A Governor highlighted the issue with accessing mobile classrooms and if this is worth considering in year. Michael Travers reported that specific critical incidents can be looked at as part of the scenario testing.

The Resources Committee approved the Business Continuity Plan.

9 Any Other Business

There were no items of any other business.

10 Dates of Future Meetings

Spring Term 2024	Wednesday 28 February 2024	9.30am
Summer Term 2024	Thursday 09 May 2024	9.30am

Key Points From The Meeting For Corporation:

- 1. ESFA Financial Health Rating Letter**
To note the letter from the ESFA.

- 2. Management Accounts**
To note the current position.