



**Minutes of the Meeting of the Resources Committee Held on 30 November 2021
Commenced at 5:15pm via MS Teams**

Present

Kate Parsley (Vice Chair) (KP)
Sarbdip Noonan (SN)
Gideon Schulman (GS)
Rohit Bhatia (RoB)

In Attendance

Bob Pattni (DP - Finance and Planning) (BP)
Robert Heal (Director of Governance) (RoH)

Observer

Annette Cast (AC)

1. Chair's Opening Remarks

GS welcomed all to the meeting and thanked BP for papers.

RoH confirmed there had been no Chair's action since the last meeting and checked the committee was quorate.

2. Apologies for Absence

Apologies for absence were received from ShR

3. Conflicts of Interest

There were no conflicts of interest noted.

4. Minutes of the Meeting Held on 15 March 2022

The minutes of the meeting held on 15 March 2022 were taken as an accurate record.

GS reviewed the Action Points and noted that all points due had been completed.

5. Matters arising

None

RoB joined

6. Terms of Reference Review

RoH overviewed the proposed changes to the Terms of Reference

Approved

RECOMMENDATION

APPROVED

TERMS OF REFERENCE TO BOARD

7. Annual Selection of the Chair / Vice Chair

RoH noted that the Chair had volunteered to remain in office. All agreed
The Vice Chair would be leaving this committee at the end of the year.

Add to committee to ensure quoracy.

Discussion on Governor attendance moved to Governance agenda

RECOMMENDATION

APPROVED

ShR AS CHAIR, VICE CHAIR TBC

8i. Risk Register

BP, has been to Audit and Risk assurance. Review cover report only. Risk 2.3 to Green. New risk of Academic provision in satellite centres. 4.1 to Green, 5.6 to Green. Financial health 6.1 to Green. Pensions remain Red. Added political internal risk noted in March. Learner recruitment risk has been added. June risk register to Board next week shows 4 additional moved to Green.

GS are we on target to achieve plan?

BP some remain on amber compared to prior years, none of concern.

SN noted 2.6 should remain red until quality in satellite centres improve.

SN suggested risk register be reviewed and rationalised.

BP we are following RSM guidance and potential for rationalisation.

AC to review post August 22

Agreed to review next academic year

RECOMMENDATION

NOTED

RISK REGISTER

8ii. KPI's

- Overall, College Attendance Rate as at the 27th May was **81.00%** against a target of 86% as students leave the college for summer
- Overall, College Punctuality as at the 27th May was **86.92%** against a target of 91%
- ESFA 16-18 Enrolment Target is 1548 on the 27th May our 16-18 funded headcount is **1486**, that is a decrease of -62 against our allocation
- ESFA 16-18 Funding allocation is £8,526,492 as at the 27th May our 16-18 funding is **£8,059,692**
- ESFA 19+ & GLA Target is 2100 enrolments (1000 heads) as of the 27th of May 19+/GLA enrolment was **2485 enrolments (1075 heads)**
- ESFA & GLA Funding Target is £1,806,822 as at the 27th May is **£1,697,495**.
- ESFA ER Apprenticeship Funding Target is £59,064 as at the 27th May our apprenticeship funding is **£21,323**.
- ESFA 19+ Loan funding Target is now £358,469, as at the 27th May our loan funding is **£323,000**

- Key Financial Indicators are RAG rated Outstanding, and the YTD Surplus is **£100k**, staff cost **66.88%** and current ratio **£2.50: £1** for the end of April 22

SN noted the funding decrease based on reduced student numbers this year. GS challenged the retention and learner numbers. SN, identified that we manage students and staff mindset rather than withdraw students. New applicants being kept warm over summer. Recruit throughout academic year.

GS what impact will the rail strikes have?

BP, exams on one day

GS, is staff union being balloted to strike

SN, unlikely there will be strike action, union staff a small contingent can be covered.

BP, if they do ballot it will be in late September, and we will have to cover with temporary labour.

GS, do we need to make contingency for pay issues next year.

BP, we must recruit numbers beyond contract and seek grants. We are not in a good position and need to set clear expectations and mitigate impacts.

AC, white paper, currently 7000 vacancies in FE. We need to focus on Government finance and canvas to improve recruitment funding. Otherwise, it is robbing Peter to pay Paul.

RECOMMENDATION

NOTED

KPI's

8iii Business Continuity Update

There is no symptomatic testing and guidance has stopped updates. It is time to close down and return to BAU. This remains a structure to fall back on.

GS can we **have a debrief and learnings document – SN yes, we learned lessons Oct 22**

GS you did well.

RECOMMENDATION

NOTED

BUSINESS CONTINUITY UPDATE

KP Joined

9i. Management Accounts to May 2022

These Management Accounts are the period 10 and quarter 4 of the financial and academic year.

The Board approved a 2% pay award for staff in December 2021, being back dated to August 2021.

The Board prudently decided not to include a pay award for 2020/21 in the budget, opting to wait on actual financial performance. The pay award was paid in January 2022.

Reviewing the Summary Income & Expenditure for 2021/22 table below shows a surplus of £100k for the YTD, against a YTD target of £118k surplus. The Year Forecast Surplus is now £120k to 31 July 2022 which has been reduced from £169k (Nov 2021 report) due to the 2% pay award.

Impacts are that all satellite centre staff are now direct. Staff pay as a % is target 65% and we are currently at 66.88%.

Non pay is within margin. Pay budget is going over due to agency and interim staff. We need to ensure we retain staff in order to be more efficient next year. Cash in bank is good and will continue to improve. Cash flow is also good.

GS clarified satellite staffing costs. BP clarified they are now direct, so moved from non-pay to pay. BP clarified satellite incomes. SN emphasised that costs have increased to deliver the quality. There is no expansion of the satellite centres until quality improves.

RoB questioned creditors significant increase. BP, trade creditors are paid early to manage cash balances. Year end this will fall to zero. Other payments on account and grants that have not been recognised yet are sitting there.

**RECOMMENDATION
NOTED
MANAGEMENT ACCOUNTS**

9ii. Monthly Monitoring Report

Down on learner number targets in one school. Adults end of year return has been sent and likely to give us some additional contract income. 19+ funding and multiplier. SN, this needs a clear rationale. GLA needs to ensure they meet their educational targets. BP explained income targets.

GS, are HE targets sorting themselves out? SN, 4 new programs and getting students numbers. Expanded, promoted and recruiting. Although unlikely to come to much fruition. AC its very challenging in the HE market. Universities are struggling with undergraduate numbers. If full they want partners to deliver L4. Now funding and loan debt means they want as many students as possible.

SN next year there is a risk we will not have HE numbers. And College will need to diversify to recover numbers.

KP what are other colleges doing?

AC, depends on university. Former polytechnics are struggling. Top 5 needs all local colleges to deliver L4, demand outweighs supply. Locally here they are struggling and taking students from FE to fill places.

SN, Opportunity to expand HE provision.

**RECOMMENDATION
NOTED
MONTHLY MONITORING REPORT**

9iii. ESFA Financial Assessment

BP, good news, independent dashboard all results are excellent. All showing outstanding. Cash balances continue to rise and there is a correlation in numbers meaning we do achieve what we say we can achieve. We are dependent on ESFA / GLA funding. Debt is important and we do not have loans to service giving a positive position.

GS we are all very proud of this.

**RECOMMENDATION
NOTED
ESFA FINANCIAL ASSESSMENT**

9iv. Funding Comparison 21/22 to 22/23

Overall contract funding will decrease by £111,139 or 1%. The key changes are listed below:

- ESFA 16-19 funding will decrease by £193,903 and 66 learners
- GLA AEB – overall funding will increase by £143,830
- Other Funding Allocations including L3 Loans/Bursary, Apprenticeship, ACL & HE funding, will see an overall reduction of £61,066

Stanmore has consistently delivered growth in ESFA/ GLA teaching and learning contracts whilst ensuring quality of delivery and good learner experience in recent years. However, we are still waiting on our allocations for 16-19 Tuition Funding and Apprenticeship Funding. Once these allocations are confirmed, we may see an overall increase in funding of up to £141,000.

Financial forecast is prudent and based on the £111k decrease.

SN clarified that the £141k is not including bursary or other factors.

RECOMMENDATION**NOTED****FUNDING COMPARISON****9v. Subcontract and Direct Delivery Plans 22/23**

Subcontract has reduced from >20% to <2%. We have 3 types Co-delivery and direct delivery where we can manage quality, and GLA defined subcontract <2% which is hair & beauty.

Due diligence documents to follow – BP ACTION

GS questioned on subcontract which SN clarified.

KP Crystal Palace is a big site and has a large catchment with great opportunity to expand.

SN, Bromley College is competition there, but opportunity to expand.

AC, yes there is huge opportunity with multiplier funding.

RECOMMENDATION**NOTED****SUBCONTRACT AND DIRECT DELIVERY PLANS 22/23****9vi. Capital Expenditure 22/23 and DfE Capital Build Plans**

Total Capital is £888,000. £265k on IT; £140k on T level and specialised equipment, £210k on estates, plus contingency. We will start to refurb buildings that are unlikely to be rebuilt.

Rayners lane installed air conditioning for students and made good foundations, so they are seeking £12k. Silver Jubilee Park is replacing Astro turf and we will contribute £5k subject to this committee.

GS questioned estates, SN, explained that we need to allocate funding to refurb the other buildings that are not being rebuilt. Also we need to consider accessibility of current buildings.

Additional Capital build post meeting update seen. Presentation included.

SN updated on team discussion, now with Minister for review. They are trying to save funding, but we are yet to hear outcome.

RECOMMENDATION

NOTED

CAPITAL EXPENDITURE 22/23 AND DFE CAPITAL BUILD PLANS

9vii. Indicative Budget Forecast for 21/22

Taken as read, well thought through and key assumption is 1% pay award.

Forecast £57k surplus, may improve if assumptions come to fruition. Cash balances and ratios look good. EBITDAR is healthy.

SN, the process will be followed

GS, can we afford 1%. SN, it will need to be reviewed.

GS, we need to look after staff

RECOMMENDATION

APPROVED

INDICATIVE BUDGET FORECAST FOR 21/22

RoB left

9viii. Efficiency Plans

Trying to improve. Plan A. Savings opportunities being explored for utilities, exams reclassifications etc. Plan B is what if we cannot achieve, we then consider staffing structural change.

SN this would need to be managed very closely. BP under delivery or recruitment are key to decisions. To date we have never engaged Plan B.

RECOMMENDATION

NOTED

EFFICIENCY PLANS

Also Full financial forecast submission seen

10. Governance Administration

RoH called for approval for the new Accounting Officer to be authorised to act on behalf of the College from 01 August for all financial and legal matters.

Approved.

RECOMMENDATION

APPROVED

ACCOUNTING OFFICER AUTHORISATION

11. Fees Policy

The fee policy has yet to be updated pending GLA draft guidance to be released.

RECOMMENDATION

NOTED

FEES POLICY

Meeting continued with Part 2 Confidential

16. Any Other Business

None

17. Meeting Review

All good

GS, Thanks to Sarbdip for all efforts to this committee

18. Date of next meeting - Tuesday 30 November 2022 at 5.15pm, online.

The meeting closed at 20:17pm

Action Points

Item	Action	Responsible	Timescale
Previous	Amend gender pay gap reporting to show an analysis of gender pay gap across role versus role? Or even a selective set of roles as a direct comparison between Male and Female? SN agreed we could probably report on management / non-management, and support staff / teaching staff, but we can look into this.	LE	November 2022
Previous	HR system has comprehensive reports available, will address Board reporting with HR	BP	November 2022
8iii	BCP debrief and learnings document	BP	Oct 22
9v	Subcontract due diligence document to be provided	BP	June 22