Corporation Board
Finance & General Purposes Committee

&Abingdon &Witney College
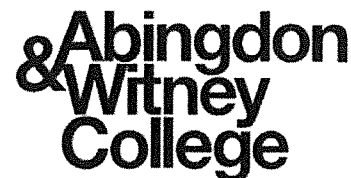
Minutes of a virtual meeting held on Tuesday 1 March 2022 at 6pm

Present	**In attendance**
Nick Handy (Chair)	Laura Grainger (Clerk)
Jacqui Canton (Principal)	Olivier Cognard (Vice Principal)
Edward Collett	Kelly Haddrell (Head of HR)
Howard Dodd	Stuart Hay (Head of Finance)
Roger File	Mark Lay (Finance Director)
Sean Wellington	John Revis (Head of OSH)

Apologies
Michael Chiyasa (Head of Estates & Capital Funding)

Governor questions are represented with bullet points, and management responses are in italics.

1 – Opening comments

Michael Chiyasa had sent his apologies; Mark Lay covered his item on the agenda. No new declarations of interest were raised and no matters to be added under AOB. The chair welcomed Laura Grainger to the meeting and asked Jacqui Canton to extend thanks to Abi for getting the papers together for this meeting.

2 – Minutes of previous meetings

Members approved the public minutes and confidential minutes of the previous meeting held on 23 November 2021 as accurate and appropriate for signature (subject to the correction below).

Action	By whom	Deadline
Correct typo in first bullet of 4.3: analysis	Clerk	Immediately

3 – Matters arising, written resolutions and action points

Item 3.1 on the matters arising paper was dealt with at the meeting and can now be marked as completed. There had been a separate meeting between NH and HD, and NH sent the document through to HD for comment following this.

The committee noted the paper.

Action	By whom	Deadline
Send copy of agreed document	NH	asap

4 – Reports
In an agreed change to the agenda, the Head of OSH presented item 4.3 first.

4.3 – Health and safety report (to note)

The Head of OSH presented the Health and Safety report. Accidents are back to pre-covid levels now that more people are back on site. It is positive to note that people are reporting accidents.

There have now been two more RIDDOR reportable incidents (four in total):
- An LSA was supporting a SEN student who fell backwards onto her, resulting in her sustaining a fractured her wrist.
- A member of staff on the construction team has been diagnosed with carpal tunnel. HR picked this up via health surveillance.

This committee had previously asked for near miss reporting to be looked at. A simple form has been created and 40 have already been returned. Everything from the forms have been followed up.

- Was the carpal tunnel (RIDDOR reporting) caused by activities at the college?
  This couldn't be determined either way. The individual had become a college student at 16, college employee at 18, and is now 22. We have carried out a risk assessment and put adjustments in place.
- The report says that fire risk assessments are a continual process – is there a formal point in time that they will happen, and an action come out of it? Do the fire brigade review them?
  All will be in place by the end of April 2022 and whoever then manages Health & Safety will take over the assessments. We have had 2 reviews taken place by the fire brigade so far and more to come. Individual buildings are reassessed at least every year.
- Is it still an external company who does the gritting? Have we fed back to them about the slips?
  Yes, it is still an external company and we have spoken to them about the slips in icy conditions.

The chair thanked John Revis for his service to the committee – both as a member, and for reporting on Health and Safety matters.

Mark Lay reported that a new H&S manager was being recruited, who is currently fire station manager at Witney, Abingdon and Faringdon.

The Committee noted the report.

4.1 – HR data report August to December 2021
The Head of HR introduced the report and talked through the key issues. The team are investigating the high turnover - the 'great resignation' is happening at the national level. By the next report there will be more information. In terms of the equality objectives, the biggest aim was encouraging staff to disclose information. Since the last committee HR have started logging near misses in wellbeing and mental health. Recruitment remains difficult but HR are working with Marketing and thinking more about the target market. Significant proposals are being made on how to address difficulties by looking at pay at the lower levels.

- How does the new car benefit work?
  It's a salary sacrifice scheme. So as well as being positive for the individual, it can save the college money in terms of NI contributions.
- The report shows there are 3 cleaner vacancies at Common Leys. So who do we have working there?
  We have had to use agency staff and we have also been moving staff around between locations.
- How is mental health doing from the impact of covid?
  It's doing okay and the plan to 'live with Covid' moving forwards is being implemented. We are also looking at the wider impact of returning to the office and working alongside people again. We are doing a slow return and some departments are still testing twice a week and we are still supporting home working. This will be in place until the end of Easter and then we will review it. It is also the wider impact of returning to the office, working alongside people again etc. We are working with staff and trying to unpick concerns.
- In the report showing the reason for people leaving, there is a big percentage on 'resignation other'.
  We have now removed the 'other' option to encourage them to say something. Moving forward we should be able to say.
- It's welcome work to increase applications from underrepresented groups and good to see the data. Do you also monitor the number of people who are shortlisted and appointed?
  Yes, we do. We gather the data and next term I can provide a report to show this.
- On the graph showing probation review, shouldn't the target be 100% by the end of the year?
  By the end of the year it will be 100% target, but this is year to date numbers.

The Committee noted the report.

4.2 – Capital projects and estates report
4.2.1 – Public report
An update was given on major capital projects including:
- Green construction skills centre, which will run about a month over time, but currently experiencing no issues on cost. Space has been identified for the renewable technology in the Advanced Skills Centre and Block B so that it can still be part of the green concept.
- T Level waves 2, 3 and 4; including going out to joint tender between the Buttercross project and T Level 3; and T Level 4 covering Common Leys and media broadcasting.

- When do students start applying for T levels? And what has the response been like so far?
  People can apply already for T levels. It is challenging getting the applicants for Digital, but this is in line with the national picture. For Digital in 21/22 we had aimed for 16 students and we have ten.
- Can you update us on the structural cracks in the Early building?

Hoping to get some movement on this next week when our Insurance Broker visits. There is no physical movement in the actual building, but the trees in next door's site would seem to be causing the problem.

- Has the College made a commitment to achieve carbon net zero? Appendix C is helpful but wouldn't be enough for an action plan.
  We haven't yet made a commitment, but it's on a list of things we need to address in our Estate Strategy.
- In terms of making a commitment to net zero, this is something the College should look to do this soon as there will be an expectation from students that we achieve this. For this new generation it is a far more important that we may consider and it might impact which college they choose. The current wording doesn't sound like commitment to achieving – it is just words. It needs to be elevated. Governors provided examples of how positive commitments could be framed.
  This is something we could discuss at the strategy awayday.
- It was noticed that some offices seemed unusually hot with lights on with no one in them. The identification of "champion" might drive a mindset change.
  Completely agree.
- What do we need as a committee; a report back on this?
  One of the ideas would be to look at this at strategy awayday to see how much of a priority it is as part of the estates discussion.

The report was noted by the committee.

4.2.2. – Confidential report
An update was provided on this item.
The report was noted by the committee.

4.4 – Major capital projects pipeline

For the Green Construction Skills Centre, additional funds have been made available from the LEP and, due to the issues with completion, the completion date has been moved.

- Do we have to pay for the plans and application regardless of if we go ahead with the T Level bids? Does that mean we have had to pay to have this done and it's a risk if we don't do it?
  Yes, that's right – we have paid £10k to get the plans done. Historically – when we think the cost would be more than £50k we would seek approval before going ahead.

The Committee noted the report.

5 – Student numbers and funding matters
5.1 – Curriculum planning process updated

The Committee viewed an on-screen presentation on the revised curriculum planning process which had three key stages:
i - Forecast student numbers and review.
ii - Use this number to generate teaching hours.
iii Build a delivery model with flexibility in it.

- Can you explain the 50% contribution rate?
  It's income minus teaching labour costs.
- Do you use the database to do work out the contribution rate?
  Yes, we use Vector to provide intelligence to establish projected student numbers.
- Where do you get the base numbers from?
  These numbers have come from the planning of the team and the base numbers are a weighted average of historical numbers.
- What is the takeaway, the headline - what is the real value of the BI tool in the curriculum planning process?
  What is being said is the building blocks being used to create the budget are far more robust than in previous years. This will allow us to hold people to account more and to track it. It's a more robust process to establish projected income and delivery cost to base the budget on. It will allow for monitoring of actual performance against more realistic targets.
- Does any faculty stand out as different?
  It has varied across but not drastically different in any particular area. Some areas were better than others.
- Does the geographical location matter?

It is split it by site so that it already addresses that – each course code has a set location, so the geographical variations are included.

- How do you get from vocation hours to teaching hours?
It is based on a standard planned class size as a proportion of actual class size. As an example, if we had an expected class size of 18 with 407 teaching hours but only had 10 students then to maintain an overall 50% contribution for the curriculum area this course will generate 10/18th of the 407 teaching hours which is 226 teaching hours.

- How do you use this to see what courses are financially viable?
Currently this is a monitoring tool. Some courses might contribute more or less. Overall we are looking at a 50% contribution. It is expected that the as we become familiar with the tool it is likely to become a key element in determining financial viability.

- How do you equate teaching hours to costs?
There are a range of types of staff that we use and we have a different hourly rate which goes into the data base. We have 2 rates we typically use - £60ph and £30ph.

- Is there an issue where assumptions over or underestimate?
If all courses do this, then yes. But they should balance each other out and they are based on robust historical data. We can do things such as put groups together etc. But there is confidence that the overall numbers will be accurate, with some variation at the curriculum area level.

- Is a 50% contribution target okay for all courses? They shouldn't all make the same contribution.
We have always used a class size of 18 but we have now moved away from this by adjusting the class size. We have spoken about this e.g. apprenticeship provision might by 20% contribution. We are going to do some more work on the outliers. Not all courses make the same contribution, but overall should reach 50%.

- What about SEND? As there are certain activities which don't fit this model.
Yes, this is a different model. Adult learning is different as well.

- Will we see end data?
Yes, this will then be used for a finalised plan to drive marketing activities.

- It is essential to keep dashboards updated if they are to be used.
Yes, very important. And I am keen for staff to be able to drill down to individuals so they can identify issues and gaps. Staff own the data and become part of keeping it up to date.

- How does this tie into Finance?
We will use this data to build the budget for next year. We have a funding overview dashboard. It also gives one version of the data – only held in once place.

The committee noted the presentation.

5.2 – Construction academy update

The committee received a report on the Construction academy, with the biggest issue around staffing and getting the student recruitment up to pace. Overall – some improvement required but it is progressing well and contributing in the context of the pandemic disruption.

- What's happening in 2024/25 with Bicester figures?
We have not factored in full cost income, and the timing of achievement funding contributes to variances from year to year particularly on more highly funded e.g. plumbing.

- When do we achieve cost break even?
During 2023/24 – but will confirm. Given what we have gone through with Brexit and covid, it is good. We are doing creative things with recruitment e.g. carpenters straight from industry but need to train them.

- Do they need qualifications?
No – but we are going to do some with them. We have also re-written the JDs so that it's more appealing.

- With Green, you have cut back on some of the build and using other areas of the campus. Is that right?
Yes, given blended learning that is taking place (online and face-to-face), I don't think we will have to extend the building in future as we had originally expected.

The Committee noted the report.

6 – Finance Matters
6.1 – Management accounts to 31 January 2022

The Head of Finance presented the management accounts to the committee.

The committee recommended the report to the Board.

6.2 – Update on the 2021/22 budget

The Finance Director presented the report and advised that the College might achieve a financial health grade of 'Good' for 21/22 compared to a budget of "Requires Improvement" (RI).

For cashflow, although we have fallen short on income, we are currently below cost due to the timing of the capital projects. We are clearly spending less on non-pay items e.g. teaching consumables but not sure if this will continue.

- With the monitoring unit, have they indicated they are going to change the financial assessment?
  Yes – in the latest CFFR model they are changing it. The borrowing calculation is being changed to a cash generation one and could potentially harm us. It will still leave us in RI.
- Have they spoken about the pension scheme funding? Private schools are suffering.
  We have included the income in next year and no news that it will be taken away.

The committee recommended the report to the Board.

6.3 – High level shape of 2022/23 budget

The Finance Director and Principal presented a report on the initial shape of next year's budget. They opened it up to questions from the committee.

- You mentioned adjustments in the reporting of capital grants – can you tell me more?
  We built the Advanced Skills Centre in 15/16 and the finance department put all assets on as one asset - but they should have had different depreciation rates. These adjustments will be correcting in 21/22.
- Have apprenticeship numbers disappointed us?
  Pre-covid they didn't, and we have been moderately cautious in the numbers this year.
- Does the ESFA spreadsheet cover 3 years?
  Yes. But 22/23 in the t level bids it will be these figures.
- Is there an issue with class size?
  Teachers haven't necessarily taught the number of hours we forecast. The BI model allows us to monitor teaching costs.
- Our staff costs are about 65% of income - but additional pay expenditure of £1.2m is higher than 65%.
  There is a pay inflation line of £418k. It should be noted that this is not the budget but an indicator of how the key assumptions should be adjusted as the budget is developed. This will need to be part of the discussion at the Strategy Day. Retention rates will lead to efficiencies as we spend less time on recruitment.
- Is the percentage of staff costs too high? We need significant efficiency gains.
  We all agree. We need to look at business support staff and use the BI data for teaching.
- We should look across all roles and we need to get it right.
  Yes – the plan is more sophisticated than just doing it that way. We have also put funds away for "hard to recruit" roles e.g. construction. More information will come out on this in the People Strategy.
  Is budgeting for a lower than inflation pay rise acceptable in the light of both current inflation levels and the Oxford living wage? *Part of our workforce do have limited options and we do pay as much as other colleges in the area. We currently have pay steps for posts, so we may remove some of these so you increase each year. Pay is something we need to think of strategically and focus at the lower end.*
- Will we have a challenge from the Unions?
  We have a positive relationship with the unions, and they are asking us to increase at the lower end.

The committee concluded that, overall, they had concerns over pay. We should be taking these concerns into the budgeting discussions in June and be aware of the Oxford Living wage.

The committee noted the report.

Action	By whom	Deadline
Confirm the name of the BI model which allows the monitoring of teaching costs	Clerk / OC	asap

7 – Freedom of Information
7.1 – FOI request updates
None received

8 – Policies

8.1 – Relationships at work policy

The committee received the policy and discussed adding financial relationships.

Action	By whom	Deadline
Add 'financial relationship' to the definition of related parties	KH	Before Board

Subject to the above addition, the committee recommend the Policy to the board for approval.

8.2 – Business Continuity policy

The Committee received the policy and noted that it was similar to the previous crisis management policy. Other than that – there were no comments or additions.

The committee recommend the Policy to the Board for approval.

8.1 – Reserves policy

The committee received the policy which was new last year. In the future it will be made more 'specific' and will return to committee.

The committee recommend the Policy to the Board for approval.

9 – Any other Business

Nothing raised.

10 – Future business and reflection

The committee agreed they were comfortable with the content and structure of the meeting.

11 - Date of next meeting – 21 June 2022

The meeting closed at 20.15

Approved for signature.....N Hanoy.....

Signature.....

Date.....28 / 3 / 23.....