 **SK** College Group 

**MEETING OF THE FINANCE, RESOURCES AND COMMERCIAL COMMITTEE**

**HELD AT 10.30 am on 19th June 2019**

**IN THE BOARD ROOM, St Helens CAMPUS**

Mrs. S Jee (Chair) External Governor

Mrs. M Box Principal

Mr. J Pinsent External Governor

Mr. N Shore External Governor

***Mrs. E Brocklehurst External Governor***

Mr. K Sanderson External Governor

Mr. P Han

**In attendance**

Mr. R Molloy Chief Financial Officer

Mr. S Arnfield Director of Finance

Mr. J Hays Director of HR

Mrs. L Lloyd-Williams Governance Director

Mr. M Doyle Deputy Principal

***Italics denotes absence* Minutes**

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|  | **The meeting opened at 10.49 and was quorate with a minimum of 3 governors present, the majority of whom were external.** |
| 1  **FR&C/19/06/54** | **APOLOGIES FOR ABSENCE**  Apologies for absence were received and accepted from Mrs. E Brocklehurst. Mr. P Han was welcomed to his first meeting as an observer, it being noted he would be taking over as Chair of the committee from the next meeting and following his impending departure from the Audit committee. |
| 2  **FR&C/19/06/55** | **DECLARATIONS OF INTEREST**  There were no declarations of interest. |
| 3  **FR&C/19/06/56** | **NOTIFICATION OF URGENT BUSINESS**  There was no urgent business. |
| 4  **FR&C/19/06/57** | **MINUTES OF THE PREVIOUS MEETING HELD ON 20TH MARCH 2019**  The minutes were approved as a true and correct record for signature by the Chair. |
| 5  **FR&C/19/06/58** | **MATTERS ARISING**  The following actions were noted:   * The CFO gave an update regarding the toilet situation at the STEM centre. * It was confirmed that policies had been checked to ensure they were consistent with the Health & Safety policy. * The Health & Safety assurance framework is to be discussed at a meeting with the Health & Safety Governor * In relation to the Apprenticeships review, the College now has an interim who is tasked with looking at the Apprenticeship process and ensuring consistency. * Staff survey – The Director of HR advised this had been further discussed and it was likely this would take place early in the new academic year. * Management Accounts being sent every month to Governors was confirmed to now be business as usual. |
| 6  **FR&C/19/06/59** | **MANAGEMENT ACCOUNTS AND SCORECARD This item was considered to be Confidential and therefore included in the confidential part of the minutes)** |
| 7  **FR&C/19/06/60** | **BANKING ARRANGEMENTS & ESTATES UPDATE (This item was considered to be Confidential and therefore included in the confidential part of the minutes)** |
| 8  **FR&C/19/06/61** | **FINANCIAL REGULATIONS & ASSOCIATED POLICIES**  TheGovernance Director confirmed that the financial regulations have to be approved by the Board every year. The Chair of the committee questioned whether all the roles and systems being mentioned were used now when the roles of staff had not been updated. Governors also questioned whether the College had the right EU details and queried the bank accounts being in the name of SK College when this is not the name of the legal entity of the College. It was agreed that the CFO would make the required changes and the Vice Chair Mr. Pinsent and Mr. Han would review the financial regulations before they were submitted to the Governing Board.  **Action: CFO**  Governors also advised they did not understand the paragraph regarding additional payments to staff. The committee advised that it was important the financial regulations are both right and applicable to how the College operates now. The CFO was asked to review and refresh the financial regulations.  **Action: CFO**  It was agreed that the financial regulations would go to the Board for the first meeting of the next academic year. |
| 9  **FR&C/19/06/62** | **ESTATES UPDATE**  This was dealt with in agenda item 7. |
| 10  **FR&C/19/06/63** | **SUBCONTRACTOR PERFORMANCE REPORT**  The CFO advised that Pinpoint training and Crosby training delivery will enable the College to fulfill the AEB contract. He confirmed that management had attended update meetings with the contractors and are confident that they will meet the contract values. The CFO was asked if he had any concerns and Governors asked if there were any issues regarding quality. The CFO gave assurance that there were none.  Governors also asked that the rules for subcontracting be brought to the Governing Board in July for annual review.  **ACTION: CFO.** |
| 11  **FR&C/19/06/64** | **MERSEYSIDE PENSIONS ACTUARIAL VALUATION (This item was considered to be Confidential and therefore included in the confidential part of the minutes)** |
| **12**  **FR&C/19/06/65** | **HR REPORT**  The Director of HR spoke to his report and advised staff turnover had increased for business support which had helped with the redundancy programme. He advised the committee that this would need to be watched next year. Governors asked why staff had gone and were informed an exit survey has been introduced from January which had identified key reasons as being volume of changes, staff morale and staff pay. Governors commented that this could give the college a problem and the Director of HR advised that difficulties in trying to recruit good quality staff had been noticed.  The committee were informed that attendance issues have also been higher than normal predominantly with long term sickness and the Director of HR advised that the College needs to refresh its attendance monitoring. Regarding the redundancy process the College has achieved nearly £1.5 million savings with. 32 voluntary redundancies, 20 staff redeployed and currently about 4 compulsory redundancies.  The committee duly noted the report. |
| **13**  **FR&C/19/06/66** | **GENDER PAY GAP REPORT**  The Director of HR advised that the Gender Pay Gap report was a requirement under legislation and that the preparation of this had been outsourced which gave the college some benchmarking. He advised that no major issues had been identified and the college is on a par with the rest of the sector. The Director of HR confirmed the report has been published on the website and that the College has complied with all deadlines. The Director of HR advised that at the moment the report is not flagging up any issues of equal pay. The Director of HR was asked whether he had any concerns regarding equal pay and he advised that he did not. Governors noted however that there were more males in senior positions attracting more pay. The committee commented that in terms of control it would be a matter of examining recruitment processes to ensure there was nothing in them that lead to this and also talked about the possibility of an exclusion policy.  The Gender Pay Gap report was duly noted. |
| **14**  **FR&C/19/06/67** | **GRIEVANCE PROCEDURE FOR STAFF**  The Director of HR advised that he was in the process of reviewing a number of HR policies and advised there were no material changes to the policy which would be taken through the trade unions. The Director of HR advised these need to be reviewed bi-annually. Governors pointed out that the policy stated that it applies to all staff when there is a separate procedure for senior postholders.  It was  **Resolved** to recommend the grievance procedure for staff to the Governing Board for approval subject to the amendment regarding deletion of reference to senior postholders. |
| 15 | **HIGHER EDUCATION** |
| 15.1  **FR&C/19/06/68** | Access & participation plan 2020/21- 2024/25  Forensically analysed by Quality & Outcomes committee. |
| 15.2  **FR&C/19/06/69** | Fees information 2020/21  The Deputy Principal explained the requirements of the Office for Students (OfS) and the need to submit a 5 year Access and Participation plan. He explained that he was asking the committee to consider the financial implications, the fee information and target investment plan and that the balance of the access and participation plan would be considered by Quality & Outcomes the following week. The committee were informed that the documents had to be submitted to the Ofs by 1st July and the Deputy Principal outlined the process and it was noted that HE fees had already been approved. It was  **Resolved**  To recommend approval of the fees information to the Governing Board. |
| 15.3  **FR&C/19/06/70** | Targets and investment plan 2020/21 to 2024/25  The committee were advised that the targets and investment plan replicates the targets in the Access and Participation plan and for the investment plan the College had to indicate planned investment against the access target. Governors asked whether the College could be sure that the targets were achievable in the community the College serves and the Deputy Principal advised that he believed the targets to be challenging. Governors asked what the College could do to achieve these and were advised of potential actions such as specifically targeting postcode areas to have access to students from these groups and casting the net wider to attract students from outside of St Helens. Governors asked what would happen if the College did not meet the targets.  Following discussion it was agreed the Deputy Principal would revisit the targets and provide an update for Q&O with Governors commenting that the College should be benchmarking against its catchment area. Governors advised they would need to know there was an action plan in place to review/monitor those targets.  **Action: Deputy Principal** |
| 16 | **GOVERNANCE** |
| 16.1  **FR&C/19/06/71** | Annual review of committee performance  The Governance Director was asked to further review this document specifically regarding the chronology in relation to Action 2.1.  **Action: Governance Director**  **12.34 Mr. N Shore left and the meeting remained quorate.** |
| 16.2  **FR&C/19/06/72** | Annual cycle of committee business  The proposed cycle was agreed as a starting point with the caveat that for each meeting there needed to be a clear focus on the key issues with sufficient time allowed for discussion of these. |
| 16.3  **FR&C/19/06/73** | Review of Terms of Reference  The committee approved for recommendation to the Board the amended terms of reference but there was discussion regarding compliance with the RF plan. It was agreed that as part of the discussions with the Transaction Unit the College would need to find out whether the College still needs to be compliant with the RF plan and therefore the terms of reference should only be submitted to the Board for approval once this was clarified. |
| 16.4  **FR&C/19/06/74** | Development needs for committee?  It was agreed that this would be discussed with the Chair and Vice Chair. |
| 17  **FR&C/19/06/75** | **GDPR & FREEDOM OF INFORMATION**  The CFO advised that the policies had been updated around GDPR and reviewed by the DPO. Upon being asked the CFO confirmed that the College does receive freedom of information requests. It was  **Resolved** to recommend the data policy and freedom of Information policy to the Governing Board. |
| 18  **FR&C/19/06/76** | **HARMONISATION OF TERMS AND CONDITIONS OF EMPLOYMENT: WORKING WEEK AND ANNUAL LEAVE**  The Director of HR advised there were some discrepancies in terms and conditions that cause friction amongst staff and the College wishes to harmonise the working week to 36 hours for which there is a slight cost that is built into business plan. The committee were also asked to agree that the College grant all staff up to 5 additional days in the event of college closure. It was noted that the proposal regarding compassionate leave and an annual leave purchase scheme was still subject to negotiation and the Director of HR wished for authority to enter into negotiations. It was  **Resolved** to recommend to the Governing Board the aforementioned proposals. |
| 19  **FR&C/19/06/77** | **URGENT ITEMS**  There were no urgent items |
| 20  **FR&C/19/06/78** | **MATTERS TO BE REFERRED TO ANY OTHER COMMITTEE?**  There were no matters to be referred to another committee. |
| 21  **FR&C/19/06/79** | **DATE & TIME OF NEXT MEETING**  It was agreed that there should be an additional meeting of the committee in the week of the 19th September*.* |