

MINUTES



Directorate: Governance

Minutes of: Finance & Resources Committee

Venue: Richmond Campus & Online

Date: 22nd September 2023

Time: 1.00pm – 2.30pm

Present: Alasdair MacLeod Governor (Chair, online)
 Keith Smith CEO (ex Officio Member)
 Simon Boulcott Governor
 Susan Kingman Governor
 TBC Governor Vacancy

In attendance: Dylan McTaggart Deputy CEO, Group Principal & Principal UC
 Shane Woodhatch Chief Finance Officer
 Jo Withers Principal Harrow College (online)
 Gavin Hughes Principal Richmond upon Thames College
 Julie Amory Group Director of People & Organisation Development
 Karen Elliott Assistant Director of People & Organisation Development
 Anna Beattie Director of Finance
 Andy Miller Group Director – Corporate Services
 Perry Perrott Group Director of Governance
 Rekha Kaul HRUC Governance Lead (notes)

Apologies: None

Action Tracker:	Actions:	Responsible:	By When:						
1	SW (supported by PP) to provide state of nation GDPR report at the next 22 nd November 2023 F&R meeting.	SW	22/11/23						
2	JA to provide an update report at the next F&R meeting on 22 nd November 2023. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">4.</td> <td>Look into detail of HRUC's Disability representation which has decreased overall.</td> </tr> <tr> <td>5.</td> <td>Management CPD training following slight increase in Staff disciplinarys and casework</td> </tr> <tr> <td>6.</td> <td>Staff Development including progress towards HRUC target of 12% staff to achieve Exemplary grade.</td> </tr> </table>	4.	Look into detail of HRUC's Disability representation which has decreased overall.	5.	Management CPD training following slight increase in Staff disciplinarys and casework	6.	Staff Development including progress towards HRUC target of 12% staff to achieve Exemplary grade.	JA	22/11/23
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5.	Management CPD training following slight increase in Staff disciplinarys and casework								
6.	Staff Development including progress towards HRUC target of 12% staff to achieve Exemplary grade.								
3	Draft HE Strategy to be presented at the next 22 nd November 2023 F&R meeting.	DM	22/11/23						
4	Finalised Risk Register to be presented at 10 th October 2023 GB Corporation Board for APPROVAL.	PP/SW	10/10/23						
5	As part of a comprehensive training & development programme 2023-24, Governors & Staff will receive training on how to use the new Risk Register software at 10 th October 2023 GB Strategy Day.	PP/SW	30/10/23						
6	HR to provide Equality staff data mid-year update at the next F&R meeting on 22 nd November 2023.	KE/JA	22/11/23						
7	HR to research "exit questionnaire box for conflict" data.	KE/JA	22/11/23						
8	HR to provide a response to the "gender contact type" data query.	KE/JA	22/11/23						
9	Finance department to ensure a HRUC Fixed Assets Register report is provided, as required by the Public Funding rules.	AB	22/11/23						
10	Finance department reinforced focus on debt collection 2023-24, to be on top of debt collection in a timely basis.	AB	22/11/23						
11	Protocol activity update to be reported at 10 th October 2023 GB Corporation meeting.	JA	10/10/23						
12	Finance department to benchmark comparable/favourable terms with other banks.	SW/AB	22/11/23						
13	Finance department to provide forecast report at the next F&R meeting on 22 nd November 2023, to review the risk appetite to increase £10m higher amounts of investment.	SW/AB	22/11/23						
14	Finance department to provide updated formulated spend on Project Ambition at the next F&R meeting on 22 nd November 2023.	SW/AB	22/11/23						
15	Hayes LRC and HE area capital transformation works video to be shared.	PP	22/11/23						

MINUTES

1.0 Election of Chair:

AM was voted in as Chair.

2.0 Election of Vice Chair:

SB was voted in as Vice Chair.

3.0 Apologies of absence:

None were received.

4.0 Declaration of Interest:

No declarations were received.

5.0 Minutes from GB Resources meeting dated 28th June 2023:

The 28th June 2023 minutes of meeting were APPROVED.

6.0 10 Actions from GB Resources meeting dated 28th June 2023:

6.1 Action 1 is complete.

ACTION 1 Actions 2,3: SW (supported by PP) to provide state of nation GDPR report to next F&R meeting on 22nd November 2023.

ACTION 2 Actions 4, 5, 6: JA to provide an update report at next F&R meeting 22nd November 2023.

4.	Look into detail of HRUC's Disability representation which has decreased overall.
5.	Management CPD training following slight increase in Staff disciplinarys and casework
6.	Staff Development including progress towards HRUC target of 12% staff to achieve Exemplary grade.

6.2 Action 7 is complete.

6.3 As of September 2023, Board Intelligence has been decommissioned and has been replaced with revamped new style Decisions agenda and minutes. Decisions Training will be provided to staff and governors.

6.4 Action 8, 9: covered as part of Agenda Item 9.0 in today's meeting.

6.5 Action 10: The draft HE Strategy is currently in a mid-year review.

6.6 The HE Strategy was previously presented to GB QCS in June 2023 and DM provided a summary mid-year update HE paper at today's meeting.

ACTION 3 Draft HE Strategy to be presented at the next F&R meeting on 22nd November 2023.

7.0 Risk Register update – Finance & Resources:

7.1 The Director of Governance (PP) and the Chief Finance Officer (SW) provided a demonstration overview of the revamped draft Risk Register, Dashboard and Balance Scorecards using a new software called Monday.com.

7.2 The five elements of the risk register have been transferred across:

- College Performance and reputation, provision to meet learner, local skills
- Industry needs
- Resources
- Workforce Skills & Partnerships
- Compliance and regulatory risks

MINUTES

7.3 The Post Merger Optimisation Plan (PMOP) has been dissolved and now presented as a series of risks translated into the master Risk Register.

ACTION 4 Finalised Risk Register to be presented at 10th October 2023 GB Corporation Board for APPROVAL.

ACTION 5 As part of a comprehensive training & development programme 2023-24, Governors & Staff will receive training on how to use the new Risk Register software at 30th October 2023 GB Strategy Day.

8 HR Report

8.1 JA passed over to KE, who talked to the highlights as provided on page 2 of the HR report.

ACTION 6 HR to provide Equality staff data mid-year update at the next F&R meeting on 22nd November 2023.

ACTION 7 HR to research “exit questionnaire box for conflict” data.

8.2 KS provided a verbal update about the launch of the new HRUC Staff Survey in coming weeks including staff engagement.

ACTION 8 HR to provide a response to the “gender contact type” data query.

8.3 HR are working with external groups to look for opportunities to work with Black, Asian and Ethnic Minority Leaders.

8.4 KS outlined development work of the HRUC terms and conditions of HR contracts to ensure HRUC will be the employer of choice including improved work policies and practices that make HRUC attractive to broad range of staff.

8.5 HR are conducting activity on the hard to fill roles to make HRUC roles more attractive to externals including armed forces covenant agreement.

KE left meeting at 13.53

9. Enrolment, Funding and Salary update:

9.1 The Chief Financial Officer (SW) talked to the highlights of the two detailed funding papers which had been provided.

9.2 SW stated it is pleasing to report, all Colleges are above allocation by 720 learners and HRUC is 785 learners ahead of last year’s actual (-428 learners allocation 2022-23), which equates to approx 100% allocation or additional £4.5m funding.

9.3 HRUC will benefit from increased funding next year, due to lagged learning.

9.4 The CFO was pleased to report that most Schools are over 100% target and HRUC are likely to apply for in year growth for the additional learners this year.

9.5 Due to the enormous efforts that were put in place, including growth agenda activities, this has contributed to very good HRUC Enrolment figures.

9.6 The Education Secretary announced a cash injection into further education sector alongside the 6.5% payrise awarded to school teachers.

9.7 Following the reclassification of colleges to the public sector, HRUC will be awarded additional £3.1m.

9.8 The additional funding to be spent on:

9.8i staff retention and recruitment

MINUTES

- 9.8ii 6.5% pay increase for all HRUC staff
- 9.8iii RC alignment to HCUC pay scales and address the lower pay scales to match the London Living Wage.
- 9.8iv Address the hard to fill roles.
- 9.8v Ensure Corporate Services staff size is fit for purpose and staff are rewarded accordingly.
- 9.8vi Business Strategy and governance/EMT support requirements.

- 9.9 The CFO estimates there will be approx. £300k saving once the above areas have been addressed.
- 9.10 FCO good news, additional funding received in year, letter received.
- 9.11 DM provided an early indication of Student performance achievement 2023-23 as being at least same as last year and RC should perform in excess of 3%.

10 July Management Account:

AB talked to the highlights of the detailed reports that had been provided in advance.

ACTION 9 Finance department to ensure a HRUC Fixed Assets Register report is provided, as required by the Public Funding rules.

11 Bad Debt Write off:

AB talked to the highlights of the detailed reports that had been provided in advance.

ACTION 10 Finance department reinforced focus on debt collection 2023-24, to be on top of debt collection in a timely basis.

DECISION 1 Members took a VOTE and AGREED for Bad Debt write-off HRUC £5,332 and RUTC £5,521, which was CARRIED and APPROVED.

12 Fraud and Irregularities:

No fraud and irregularities to report.

13 Protocol:

- 13.1 SW/PP passed to JA to provide a verbal update on Protocol activity.
- 13.2 An internal working group has been set up followed by an initial meeting with Protocol scheduled to take place w/c 25th September and chaired by JA.

ACTION 11 Protocol activity update to be reported at 10th October 2023 GB Corporation meeting.

14 Investment Strategy:

- 14.1 AB talked to the highlights of the detailed reports that had been provided in advance.

ACTION 12 Finance department to benchmark comparable/favourable terms with other banks.

RECOMMENDATION: In order to plan our cash investment strategy aligned to our cash needs, we are developing a more detailed and robust cashflow forecast for operational and capital spend to indicate peak cash requirements and availability of surplus cash. This will allow us to tailor a cash investment strategy which will maximise returns on surplus funds whilst at the same time ensuring sufficient cash is available to meet our operating and capital needs. In the short term, we propose to place £15,000,000 on rolling 3-month deposits, whilst we prepare a more robust cashflow forecast which will enable us to better align our investment strategy with our operational and capital needs. Currently we have £10m invested with Barclays of which £5m matures end September and the balance in December.

MINUTES



CFO and CEO confirmed their assurance of the £15m decision.

DECISION 2 RECOMMENDATION to move to £15m was CARRIED and APPROVED. Following updated forecast report at the next F&R meeting, Committee to review the risk appetite of increasing higher amounts of investment by additional £10m.

ACTION 13 Finance department to provide updated forecast report at the next F&R meeting on 22nd November 2023 to review the risk appetite to increase £10m higher amounts of investment.

15. Estates Report:

15.1 SW talked to the highlights of the detailed Estates report that had been provided.

15.2 HRUC has awarded the above based on the funding formula set out in the allocation methodology note. The DfE is providing the allocation of capital funding for the purpose of improving the condition of college estates. A grant of £6,569,274 has been awarded of which £1,541,965 has already been receipted. The balance is expected in April 2024 and monies to be spent in full by March 2026. The College is intending to match fund the above with a total spend of £14.9m.

ACTION 14 Finance department to provide updated formulated spend on Project Ambition to Board 22nd November 2023 F&R Committee.

ACTION 15 Hayes LRC capital transformation works video to be shared.

16 AoB:

16.1 JW will be travelling internationally to China for one week in October 2023 as part of HRUC's Business Strategy activity.

16.2 The initiative is led through the Department for Trade. JW will offer collaboration and solutions with China colleges in line with the UK Trade mission.

14:42pm F&R Committee meeting was closed.

All non-committee members departed.

14:45pm Confidential meeting reconvened with AM, SK, SB, PP (RK – notes) present.

PP and SK talked to a confidential SPH pay report which had been discussed at 20th September 2023 GB Search Governance and Remuneration Committee.

DECISION 3 RECOMMENDATION AM and SB AGREED with the findings of the report. Agreement was reached to take to 10th October 2023 full GB Corporation.

15:13pm Confidential meeting closed.

Signed.....

Date.....