

**FINANCE, EMPLOYMENT AND GENERAL PURPOSES COMMITTEE  
CONFIRMED MINUTES**

**Date:** 20 January 2021

**Venue:** Zoom (Online Meeting)

Clerk to the Corporation  
Granville Road  
Sheffield, S2 2RL  
Tel: 0114 260 2620  
Email  
[alison.shillito@sheffcol.ac.uk](mailto:alison.shillito@sheffcol.ac.uk)

**Present:** Stephan Hollingshead (Chair)  
Holly Anderson (from 08.45)  
Peter Brooks  
Richard Calvert  
Angela Foulkes  
Beri Hare  
Enya Ritchie (Student Governor)  
Seb Schmoller

**In attendance:** Martin Harrison, interim Finance Director  
Andrew Hartley, Executive Director Commercial and Operations  
John Mothersole, governor and chair elect  
Alison Shillito, Governance Advisor and Clerk to the Governing Body.  
Paul Simpson, Executive Director People  
Anita Traffon, Deputy Chief Executive/Deputy Principal (09.15-09.25)

**Action**  
by whom by when

**21/1/1 Welcome, introduction and apologies**

- 1.1 The Chair welcomed Martin Harrison to his first meeting since taking up his appointment as Executive Director of Finance (EDF).
- 1.2 The committee received apologies from Dick Moore, co-opted committee member.

**21/1/2 Presentation: Estates including Capital Projects 2020-21 update and Estates Strategy 2020+**

- 2.1 The Head of Estates made a presentation about the role of the Estates team, the college's current premises, the condition survey and progress on current projects, including the LEP Skills Capital project. The presentation highlighted the following points.
  - **Assets management:** the college had appointed a new Mechanical and Electrical Engineer to manage the college's major plant to maximise asset life and use;
  - **Learning spaces:** the team is supporting faculties to reconfigure spaces to make them more flexible and provide

a better experience for students. Estates staff work with curriculum colleagues to make sure changes are costed, viable and meet expectations for student and staff safety and comfort (e.g. access, lighting and heating).

- **Planning for longer term needs:** the Estates team aims to provide premises that support the increasing use of digital tools for learning as well as finding space for growth in learner numbers in the Sheffield Sixth Form and on Department of Work and Pensions (DWP) adult employability programmes, where the current space is restricting the college in meeting demand.
- **Current projects** completed and in progress including prioritising works identified in the conditions survey.

2.2 Members considered the presentation and the main areas of discussion were as follows.

- **Supporting digital learning:** members asked about the impact of digital learning on the accommodation strategy. The Head of Estates said that he works closely with the Teaching and Learning Innovator to create spaces for teachers to use with classes and to use for creating online learning content. There are also opportunities for the digital strategy to release space used by business processes to be refurbished for student use. The team's top priority is how best to accommodate a great student experience – face-to-face and digital.
- **Acoustic impact on effective teaching and learning:** a member asked how the college ensures that its spaces have good acoustic properties for excellent teaching and learning. The Head of Estates said that for the addition of a new mezzanine space, the team had consulted an acoustics specialist to optimise the acoustics in the new spaces and dampen unwanted noise. This was valuable and is something that they will look at in future for smaller projects.
- **Conditions survey and backlog of maintenance works:** it was noted that the Department for Education had extended the college's deadline for spending the further education capital allocation (FECA) to September 2021. The Head of Estates said that the team had caught up on planned maintenance and the FECA was enabling the college to address actions from the recent conditions survey more quickly than otherwise would have been possible.
- **Space utilisation:** the committee asked about plans to provide an up to date space utilisation survey. The Head of Estates assured members that the department has the tools to conduct a space utilisation survey and plans to do this once students are back on campus.

2.3 The committee received the presentation and thanked the Head of Estates for an engaging and informative report that demonstrated how the Estates team is putting students at the heart of their work and the accommodation strategy.

### **21/1/3 Declaration of interest**

- 3.1 The committee noted the following.

The standing declarations of the Chief Executive and Principal and the staff governor. The committee agreed that no items required action on these declarations.

The standing declaration of Enya Ritchie as a college student. Again, no specific items related to this declaration and no action was required.

John Mothersole, in attendance as an observer, reported a family connection to contractors involved in the Digital Skills Network capital project. The committee noted the declaration, no action was required.

### **21/1/4 Minutes of the meeting on 25 November 2020**

- 4.1 The committee approved as a true record, the minutes of the FEGP meeting held on 25 November 2020 including the minutes of the joint meeting held with the Audit and Risk Assurance Committee.

### **21/1/5 Matters Arising & Action Record**

- 5.1 The committee considered matters arising and action tracker items. It was noted that all actions were marked as complete other than the following item.
- 5.2 **Minute 20/1/5.4 refers: Lennartz**: the Chief Executive and Principal (CEP) reported that the Higher Tier Tribunal had published its ruling on the leading Lennartz case. The college was working through the judgment with its tax advisors. It was agreed that this action should be carried forward, pending the college's decision on next steps.
- 5.3 The committee received the action tracker, agreed that it included all matters arising from the last meeting and approved the removal of actions reported as completed.

### **21/1/6 People KPI update**

- 6.1 Paul Simpson, Executive Director People (EDP) presented the update, highlighting the continuing downward trend in short term staff absence and staff turnover. The report also included an update on the completion rate for mandatory training and, for the first time, completion monitoring data for the Go Further Review.
- 6.2 Members considered the report and the main issue discussed was the equality and diversity staff data. The report had commented that proportion of staff identifying as "Non-white British" had risen to 13.2%, against a UK workforce benchmark of around 12%. Members commented that the college should continue to work on monitoring and increasing the diversity of the workforce in senior grades and also work towards a workforce that reflects the diversity of the city. The EDP said

that the college is not complacent and its published EDI Action Plan includes actions to ensure that the college is an attractive employer to applicants from diverse backgrounds. The EDI Board is monitoring the actions and will be reporting to the Governing Body on their impact in achieving the college's equality priorities.

- 6.3 The committee received the report, noted the progress being made on the KPIs and the action being taken to achieve targets.

#### **21/1/7 HR and Organisation Development update**

- 7.1 The EDP presented the report including staff recruitment, the launch of the Employee Engagement Survey, and implementation of new HR software and model of HR support for departments to improve the people operations service.
- 7.2 Governors considered the report and the main issues discussed were:
  - Appointment of a Vice Principal for Apprenticeships:** members welcomed news that the college had appointed to this key role. Members noted that cover for the role is in place pending the appointee starting work in March.
  - Employing younger people:** a member asked if the college has any plans to employ young people under the DWP Kickstart scheme. The EDP said that discussions are underway to identify whether there are any suitable opportunities to engage with Kickstart. At present, it does not seem likely given the current requirement for 30 placements.
- 7.3 The committee noted the update and welcomed the assurance it provided on the progress the college is making on its People strategy.

#### **21/1/8 Staff Development Activities Report Term 1**

- 8.1 The EDP introduced the report which included completion rates for mandatory training (99.6%), participation in the December development days and progress on the JISC self-assessment survey to help the college benchmark its digital capability.
- 8.2 The committee noted the report and welcomed the high completion rates for mandatory training and that the college is now using more of its apprenticeship levy including new starts on the Learning and Skills Teacher apprenticeship standard.

Anita Straffon joined the meeting at 09.15.

#### **21/1/9 Recruitment**

- 9.1 Anita Straffon, Deputy Chief Executive & Deputy Principal (DCE/DP) introduced an update on learner recruitment. The DCE/DP reported strong recruitment for 16-18 year olds, with Adult Education (AEB), HE and Apprenticeships (at Quarter 2) being around or just under target and Advanced Learner Loans

(ALL) being below target. It was noted that some adult learners who might have taken loans to pay their fees may now be funded through AEB or in future via the Lifetime Skills Guarantee, due to be launched in April 2021. With unemployment rising, the Adult Training Task & Finish Group has developed an offer to respond to retraining needs identified in the region.

- 9.2 The committee received the report. Members noted concerns in relation to recruitment of Adult Learner Loans (ALL) students due to the impact of structural changes to adult education. Members welcomed the action the college is taking to develop new provision for adults to meet the City's training needs.

Anita Straffon left the meeting at 09.25.

## **21/1/10 Finance KPI update**

- 10.1 Martin Harrison, Executive Director of Finance (EDF) introduced the report, showing the college's financial position at period 4 (1 August to 30 November 2020), following the P3 round of business reviews. It was noted that the college continues to achieve the financial health grade of "good".

- 10.2 Governors considered the report and the main issues discussed were:

**Income challenges:** apprenticeships, commercial and HE income are the main areas of challenge. Apprenticeship provision achieved its recruitment target for the second quarter in the context of an end-loaded profile. The third national lockdown is having a negative impact on apprentice recruitment and learners being able to complete their apprenticeship. There are savings associated with lower apprenticeship and commercial income, which the college is accruing. The college is factoring the delays into its income and cash flow forecasts for the rest of the year.

**Staff costs ratio:** this continues to be above the sector benchmark used by regulators. The CEP said that the three year financial plan approved by the Governing Body aims to bring the ratio into line with the benchmark over the period of the plan. Expenditure on pay is above target and one of the reasons for this is the additional grant the college received for small group tuition. This increases income but also requires increased expenditure on staff hours to provide the additional learning. There is also a significant increase in the FRS pension charge.

**Additional costs of Covid-19:** it was noted that premises closure due to the pandemic is continuing to have an impact on some income streams, as above. Managers have been largely able to accommodate the additional costs of cleaning and facilities within their budget by adjusting services for fewer staff and students on campus

- 10.3 The committee received the report and members were assured that the college is effectively managing financial performance and efficiency.

#### **21/1/11 Finance Report (Period 3) and Autumn Term Re-Forecast**

- 11.1 The EDF presented the report, highlighting the following issues for further work.

**Capital grants treatment:** the college currently accounts for capital grants within the year the grant is received. The EDF will bring proposals to the committee for changing the treatment of capital grants to account for them over the period of the asset covered by the grant. This will smooth out the impact of capital grants over a longer period that reflects use of the capital asset.

**Outcome of Lennartz VAT case:** the Higher Tier Tribunal ruled in favour of the college in the leading case. This ruling potentially changes the treatment of colleges, treating more of their work as “business” for tax purposes and reducing the advantages of charitable status. The college is considering the ruling with its tax advisors.

- 11.2 The committee received the report and agreed: EDF 24.3.21  
**ACTION:** present a forecast based on worst case for the income lines most at risk due to the pandemic.

#### **21/1/12 Waivers of the Financial Regulations CONFIDENTIAL**

- 12.1 The committee received the report, noting that since the last meeting there had been one waiver of the Financial Regulations approved by the Chief Executive and Principal under delegated authority. The waiver was for capital works commissioned under the Further Education Capital Allocation (FECA). The waiver was necessary because it would not have been feasible to conduct a full tendering process, order specialist equipment and have the equipment installed by the original FECA deadline of 31 March 2021.

- 12.2 The committee commented that members had previously expressed concern about use of waivers for renewing large ongoing contracts, where re-tendering should be planned to ensure value for money. In this case, the FECA was offered to the college at short notice with tight deadlines for expenditure. The committee noted the waiver, the steps managers had taken to ensure value for money and agreed: EDF ongoing  
**ACTION:** in future the Chair of FEGP should be consulted prior to agreeing proposals for supplier selection above £170,000 where procurement will not comply fully with the Financial Regulations.

Enya Ritchie left the meeting at 09.45 – 09.55.

## **21/1/13 Integrated Financial Model for Colleges return 2020-21**

- 13.1 The EDF introduced the report on progress to complete the annual return of the Integrated Financial Model for Colleges (IFMC), which the college must submit to the ESFA by 31 January. The submission will reflect the previous financial record approved by the committee in November with additional information on updated student numbers, Estates and additional costs due to Covid-19.
- 13.2 The committee noted the progress update and agreed that as previously,  
**ACTION:** the EDF will provide to the Chairs of FEGP and ARAC and the Chair of Governors an overview and reconciliation of the changes since the last submission to review prior to submitting the final IFMC return to the ESFA.

## **21/1/14 Health and Safety KPI update**

- 14.1 The committee received the report, noting that the low number of accidents is consistent with the low number of people on campus in the autumn term.

## **21/1/15 Health and Safety: Term 1 update**

- 15.1 Andrew Hartley, Executive Director Commercial and Operations (EDCO) introduced the report including an update on how the college has reviewed and updated its risk assessments and plans for onsite teaching for vulnerable students during the third national lockdown and its approach to Covid testing.
- 15.2 Governors considered the report and the main issues discussed were:  
**Covid-19 testing:** the EDCO outlined the testing arrangements that the college had set up at City Campus to test staff and students attending campus. The test site had conducted over a hundred tests in its first three days of operation, all negative results. A member commented that the college should expect a low number of positive results and this should not be seen as discouraging. The significant effort involved in offering tests for staff and students would give staff and students confidence in returning to campus, when they are permitted to do so.  
**Changes to DfE guidance on testing:** a member asked about the DfE's announcement that it was suspending testing. The EDCO said that the change was to the guidance that daily testing could replace self-isolating for staff and students who had been in close contact with someone who had tested positive for Covid-19. The DfE continued to encourage regular staff testing. The college would be continuing to offer weekly testing to staff and students attending during lockdown, subject to DfE continuing to supply tests and PPE. The testing task group is continuing to plan for expanding testing to other campuses at the end of the current lockdown.

**Risks of home working:** a member asked how managers are addressing the risks of home-working. The EDP responded that as outlined in the Phase 2 plan, the college continues to require staff to refresh their training in setting up and using Display Screen Equipment. Staff self-assess their work space, posture and lighting using the online training module to help them arrange their workspace safely. Staff can request advice and support from the health and safety team including a specialist assessment, if required.

- 15.3 The committee received the report and expressed assurance that the college is taking appropriate action to provide a safe working environment for staff and students.

**21/1/16 Review of meeting and closing remarks**

- 16.1 Members welcomed the presentation on Estates and capital projects and commented favourably on the length and relevance of reports and the total board pack size. The length of the agenda and shorter, more focused reports had given members more time to ask questions and discuss key issues.

**21/1/17 Date and time of next meetings**

24 March 2021 at 08.30 – 10.00

23 June 2021 at 08.30 – 10.30