

**Date:** 22 April 2020

**Venue:** By Zoom video-conference

**Present:** Stephan Hollingshead (Chair)  
Gwyn Arnold  
Peter Brooks  
Angela Foulkes  
Beri Hare  
Saleem Rashid (from 08.55)  
Seb Schmoller.

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)

**In attendance:** Andrew Hartley, Commercial Director (attended 08.30 – 09.30 to present items 5 and 12)  
Anita Klich, Governance and Projects Officer  
Mark Pearson, Director of Strategic Planning and Systems Improvement (attended 08.30 to 09.05 to present Final Funding Allocations item)  
Kate Platts, Executive Director Finance and Resources  
Alison Shillito, Governance Advisor and Clerk to the Governing Body  
Paul Simpson, Executive Director HR and Organisation Development

**Action**  
**by**        **by**  
**whom**    **when**

**20/2/1      Welcome, Introduction and apologies**

The Chair welcomed members to the first meeting of the Finance, Employment and General Purposes Committee (FEGP) held via a videoconference. The login to the meeting went smoothly for most members and the meeting was quorate and able to start on time.

**20/2/2      Declarations of Interest**

- 2.1 The Committee noted the standing declarations and in particular the CEP's role as a director of the College's wholly owned subsidiary companies in relation to Item 11. The Committee agreed that the CEP was not required to withdraw for item 11 but would not be counted in the quorum nor included in a vote, should any be required for that item.

**20/2/3      Final Funding Allocations 2020/21**

- 3.1 Mark Pearson, Director of Strategy, Planning and Systems Improvement (DPSI), gave a presentation explaining the College's main public funding streams, how the ESFA calculates them and the final allocations for TSC in 2020/21. The main points were:

**ESFA funding for 16-19 year olds:** this had increased compared to 2019/20 due to an increase in the national base rate for study programmes, higher student retention, the profile of TSC provision moving in favour of higher value courses and additional funding for English and maths;

**ESFA Adult Education Budget (AEB):** this had increased due the College's historic over-performance against its AEB budget being consolidated into its allocation for 2020/21. The College would draw down amounts from this allocation, based on the actual number of students recruited, retained and the pass rate. The tolerance of + or – 3% might give the College an opportunity to over-perform in 2020/21, depending on the continuing impact of the Covid-19 crisis. Strategically, the College was already looking to the future devolution of the AEB.

**Advanced Learner Loans:** there had been a small net increase overall in the TSC annual loan facility. Draw down of this facility would be based on recruitment, retention and pass rate of those students funded by a loan.

**ESFA Non-Levy Apprentices:** this allocation only covered the remainder of 2019/20 and part of 2020/21. Draw down of the allocation was based on the actual number of apprentices recruited and retained (80%) with the balance (20%) payable when apprentices successfully passed their apprentice standard or framework.

- 3.2 The main points of governor discussion focused on the impact of Covid-19 on funding. Members welcomed the assurance provided by the funding allocation and asked how the College was modelling the impact of Covid on these and other income streams. The DSPSI said there was a significant piece of work being done on the impact of Covid-19 on the College's costs, ESFA income and other income lines. The lagged funding model meant that this year's data would normally determine how allocations for 2021/22 would be calculated and guidance was also awaited on this and aspects of apprenticeship funding.

The Committee noted the presentation and thanked the DSPSI for his clear presentation of a complex funding picture.

## **20/2/4 Key Performance Indicators update**

### **4.1 Finance KPIs**

Kate Platts, Executive Director of Finance and Resources (EDFR) introduced the Finance KPIs. She reported that the most significant change since finalising the data in the P6 report was the impact of the the Covid-19 outbreak. With campuses closed and nurseries only open to the children of key workers, the College had immediately lost income from refectories, nurseries and other work such as commercial short courses. The College was making savings where possible so the forecast year end position was comparable to that at Period 3. Governors asked what the assumptions in the forecast for re-opening of campuses were. The EDFR said that the forecast assumed no new starts for apprenticeships and short courses for this academic year and no further commercial income from canteens and nurseries. The

Committee supported that the College was maintaining a positive EBITDA and financial health in spite of this impact.

#### 4.2 Health and Safety KPIs

Members considered the Health and Safety KPIs and welcomed that the accident figures for the period were below 2018/19 at the same point.

#### 4.3 Staff Development and HR KPIs

Paul Simpson, Executive Director of HR and Organisation Development (EDHROD) introduced the Human Resources and Staff Development KPIs. Members welcomed the more detailed analysis of staff absence and staff turnover data and commented on the main points as follows.

**Long-term absence:** the data showed that the staff absence rate was predominantly due to long term absence. Members asked how the College was addressing long-term absence in particular. The EDHROD said that analysis indicated many instances of long-term absence were linked to stress (occupational and other) and/or individuals who were in performance management procedures. To address this, the HR Department had put in place additional support for line managers to maintain contact with and support for staff on long-term absence. The College was also appointing an additional HR Business Partner to expedite progress on investigating and resolving staff grievances, disciplinary cases and performance management.

**Staff disciplinary and performance management procedures:** governors asked if the College was continuing to progress case work during remote working. The EDHROD said that the HR Department had put in place contingency arrangements to support normal HR processes online. As an employer, the College was required to ensure that its staff processes were fair and therefore the contingency arrangements might need to be applied flexibly to ensure fairness.

**Staff turnover:** members commented that the figure looked high, particularly for new staff. The EDHROD said that the College was below the AoC sector rate but the College was keen to reduce the new starter turnover rate. The HR Department was working with managers to address this by introducing a new induction programme and a new six month confirmation period, during which new staff had increased management support and more frequent supervision to resolve issues at an early stage. A member asked about the risk of managers automatically signing-off completion of the confirmation period. The EDHROD said that confirmation was a formal process based on evidence of satisfactory performance. The confirmation period would not be automatically approved or extended. Managers could request to extend the period on one occasion only. At the end of the period, the senior manager would decide if sufficient support had been given to the member of staff and whether or not the member of staff had performed to the standard required to be confirmed in post.

**Go Further Review** – the EDHROD reported that 90% of staff had completed the first review of the year.

#### 4.4 Recruitment KPIs

Andrew Hartley, Commercial Director, introduced the recruitment data and members queried the strategy for managing recruitment particularly during the constraints imposed by the Covid-19 crisis. The Commercial Director said that applications had been quiet since the lockdown.

**Apprenticeships:** apprentice recruitment for 2019/20 had been on track to meet the annual target prior to the Covid-19 crisis. Members asked about the impact of businesses closing and furloughing staff, The Commercial Director said a lot of apprentices had already been put on furlough. Furloughed apprentices were still allowed to continue online learning and staff were making contact to complete classroom-based work and training. There is was some uncertainty about the future solvency of employers affecting existing apprentices. The College would do what it could to enable existing apprentices to complete on time. For new apprentices, some larger employers had already informed the College that they would be moving planned new starts to January 2021. The CEP said that apprentice recruitment from September 2020 to January 2021 was probably the College's biggest recruitment challenge. Staff were working to maximise the retention and success of current apprentices to mitigate this. The Commercial Director agreed to check that all apprentices received clear communication about continued learning during furlough.

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**Higher Education:** members asked about HE recruitment which was below target but higher than at the same point in 2018/19. The Commercial Director said it was not clear how applicants would react to the current uncertainty about what university life would look like in 2020/21. It was clear that Covid-19 would have a negative impact on HE recruitment of overseas students and this would have an impact on universities including those in Sheffield. The HE Minister had extended a moratorium on HEIs changing offers to boost recruitment via unconditional offers but demographics and Covid meant applicants would have more choice of HEIs. The College largely relied on local students and internal progression and would be liaising with its strategic partners to try to ensure that its provision was sustained for the benefit of the City and its learners.

- 4.5 The Committee noted the KPI update and commented as summarised above.

#### 20/2/5 Alumni update

- 5.1 The Commercial Director, introduced the update on how the College was progressing on achieving its strategic aim to create an alumni community. This had been proposed in strategic discussions with governors previously, the appointment of a new Senior Marketing Officer had provided some additional capacity to take this forward. The College had received a good response rate to an initial survey of former learners and the next steps would be to pilot activity in Hospitality and Graphic Design building on existing links with former students.

- 5.2 Members considered the paper and were encouraged by the good response rate to and findings of the initial survey. Members asked about the link between the strategy and developing fundraising. The Commercial Director said that the development was not a fundraising exercise. It was intended to foster affinity, encourage past learners to engage with the College (e.g. case studies, speakers and role models), benefit current learners and the College's reputation.
- 5.3 The Committee noted the update.

## 20/2/6 HR and Organisation Development Update

- 6.1 The EDHROD presented the update on how the College was progressing on achieving its People strategic aim. The main issues covered were:
- Pay award:** all recognised trade unions (RTUs) had agreed to implement the offer; UNISON following a ballot of members; UCU had not balloted and had asked for further negotiations. The award had received positive media coverage. The decision to track the foundation living wage for the lowest paid staff would support recruitment in some roles where it had become difficult to recruit and retain staff.
- Investors in Diversity:** the College had achieved the conditional award and would continue to work towards full award.
- Digital Skills Audit:** the College was proceeding with the planned audit using the JISC survey tool. This audit had been planned as part of developing its Digital Strategy. The move to remote working had obviously accelerated staff using digital skills for teaching and learning and back office functions.
- 6.2 Members considered the report and the main points of their discussion were as follows:
- **Covid-19 impact of staff communications:** members supported the high quality and frequency of communications with staff during campus closure and the move to remote working and asked if the College had a way of gauging the number of staff who were opening and reading these communications. The EDHROD agreed to find out from the Marketing Department if the College had software tools to produce this data.
  - **Use of Job Retention Scheme:** in the light of the written resolution passed by the Governing Body on 8 April, a member asked if the College had placed any staff on furlough. The EDHROD said that the College would only be able to furlough staff where their employment was connected to commercial income. The College had used the scheme for a small number of its employees in canteens and nursery who could not work from home and whose employment had been supported by income streams that had ceased
  - **How effective are staff in supporting learners remotely:** members challenged on how the College knew it was continuing to provide effective learning for students remotely. The Chief Executive said that, as she had written in her

EDHROD 1/6/2020

update to governors, regular online staff meetings gave the College a high level of confidence that most staff are well set-up to work remotely and are actively using google classrooms. In addition, pastoral staff have daily contacts with vulnerable students and a clear structure for reporting on progress and escalating concerns about missed contacts. For some areas, engagement was being reported as variable. For example, students in construction tended to prefer active learning and had been less interested in learning online. Staff had been contacting learners and parents to communicate the importance of maintaining engagement and to find out how to encourage learners to re-engage. Remote learning is still relatively new to many learners, and wholesale remote learning had been in operation for 12 days. The Executive planned for the next Governing Body meeting to focus on the impact of Covid-19 on students, staff, learning and teaching.

6,3 The Committee noted the report.

## **20/2/7 Health and Safety Term 2 2019/20 update**

7.1 The EDFR presented the update on Health and Safety performance in the second term including reporting on progress against the recommendations made in the Internal Audit Review on Health and Safety discussed at the last meeting.

7.2 Members considered the report and the main points of their discussion were as follows:

**Health and Safety department audits:** members commented that some local audits were concluded with no improvement actions identified and this was unusual. The EDFR said that the areas with no new actions were ones such as Nursery and Science and Dental that had a culture of meeting high external standards whereas the audits had aimed at getting all departments to a threshold level. The College wanted to move this forward at more pace to go beyond basic checks. It was noted that the College was in the process of recruiting a new Health and Safety Manager and this would be an objective.

**Occupational stress:** a member asked how concerned governors should be about occupational stress. The EDHROD said that people reporting occupational stress were often subject to other stressors. As discussed previously, the College was increasing its capacity to support resolving reported stress; it provided the Employee Assist programme to support people (which gave staff access to counselling) and the College had introduced mental health first aiders. In relation to Covid-19, promoting good mental health was a regular theme in communications plan and HR Department had circulated information about managing the potential stresses of remote working. The next pulse survey would be on workload and the results and actions arising from this would be reported back to governors

**Impact of Covid-19:** members asked how the College was managing the broader impact of Covid-19 on staff; if it was creating significant staff shortages due to illness and the health

and safety risks arising. The EDHROD said that staff were reporting absence in the usual way by ringing their line manager. Short term absence for minor ailments may well decrease but line managers have regular contact with their staff and escalate where staff are not responding. Members asked how Health and Safety staff were supporting this. The EDFR said that the Health and Safety Team had been managing a special inbox to respond to staff queries and running the Covid-19 Major Incident Team meetings which had now shifted to planning for re-opening. The CEP said that even though it was a small team, there would be a significant leadership role for the Health and Safety team in the re-opening plan, advising Estates, managers and staff on social distancing and other ways of reducing the risk of transmission of Covid-19.

7.3 The Committee noted the report.

#### **20/2/8 Finance Report Period 6 2019-20**

8.1 The EDFR introduced the update, the members' comments on financial performance are included under Financial KPIs in minute 20/2/05. The Committee noted the report and welcomed the half year update on Bad Debts, which members had requested at a previous meeting.

#### **20/2/9 Waivers of the Financial Regulations CONFIDENTIAL**

9.1 The Committee noted that there had been one waiver since the last meeting, for an educational version of specialist robotic equipment. The procurement had been done on the basis of research on a highly specialist market. It was noted that the EDFR had approved the waiver as being in the best interests of the College and value for money under the scheme of delegation.

A member queries if waivers above £10,000 should be circulated to the Chair and/or other members prior to approval for consultation. The Clerk said that the scheme of delegation was intended to provide clarity on the approval authority. It was open to the delegate to consult members or the Clerk on a grey area and open to the Committee to review and recommend adjustment to the scheme of delegation.

#### **20/2/10 Subsidiary Companies update**

10.1 The Committee noted the report, the content of which had previously been received by Governing Body and approved the updates to the Memorandum of Agreement between the College and its subsidiary companies and the new data sharing agreement for signing on behalf of the College.

#### **20/2/11 Minutes of the last meeting held on 15 January 2020**

11.1 The Committee approved the minutes as an accurate record of the meeting.

#### **20/2/12 Matters Arising and Action Record**

12.1 The Committee considered matters arising and action tracker items as follows.

**12.2 Minute 19/4/14.2 refers: Capital Projects**

The Committee noted that plans to start work on the LEP Skills Capital project were ready to start at Olive Grove as soon as the College could safely reopen to staff. The College had notified the LEP of the new risk of delay caused by Covid-19 and the Commercial Director had formally requested an extension of the term of the funding agreement up to April 2022, as the agreement currently required all money to be spent by March 2021. The College awaited a response. The Commercial Director would report further to the May meeting of the Governing Body.

12.3 The Committee approved the removal of actions reported as closed other than Minute 19/5/10, which was marked in progress and given a new due date of 29 January 2020.

**20/2/13 Review of Meeting and closing remarks**

13.1 Members commented that

- The meeting had run largely to time and in line with the normal timing of FEGP meetings. The plan for shorter online meetings would need to be accompanied by a reduced agenda.
- The video conference had worked well in circumstances;
- The videoconference had a chat facility that had been used to comment on discussions and it had not been possible to capture the chat in the course of the meeting. The Chair of Governors asked for these issues to be picked up in future updates
- Governors need to be assured that the process for STS staff to apply for College teaching posts operates fairly and is not indirectly discriminatory;
- In the re-opening plan, governors will want to be assured that the College has allowed sufficient lead times to put in place appropriate safety measures for social distancing, staff and students moving around the building including between different floors.

EDHROD June 2020

DSPSI June 2020

**20/2/14 Date of next meeting**

Wednesday 24 June 2020 at 8:30 in the Boardroom (TG04), City Campus or by videoconference (tbc)