

Date: 25 November 2020

Venue: Zoom (Online Meeting)

Present: Stephan Hollingshead (Chair)
Holly Anderson, staff governor
Peter Brooks, governor
Richard Calvert, governor
Angela Foulkes, Chief Executive and Principal and governor
Beri Hare, governor
Richard Moore, co-opted member
Seb Schmoller, Chair of Governors

In attendance: Martin Harrison, interim Finance Director
Andrew Hartley, Executive Director Commercial and Operations
John Mothersole, governor
Kate Platts, Executive Director Finance and Resources
Alison Shillito, Governance Advisor and Clerk to the Governing Body.
Paul Simpson, Executive Director People

Clerk to the Corporation
Granville Road
Sheffield, S2 2RL
Tel: 0114 260 2620
alison.shillito@sheffcol.ac.uk

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

20/5/1 Welcome, introduction and apologies

- 1.1 The Chair welcomed Holly Anderson, a newly elected staff governor, and Martin Harrison, who will take up the role of Interim Finance Director in January 2021, to their first meeting of Finance Employment and General Purposes Committee (FEGP).

20/5/2 Declarations of interest

- 2.1 The Committee noted the following.
- The standing declarations of the Chief Executive and Principal's (CEP) as a member of staff of the college and as a director of the College's wholly owned subsidiary companies in relation to item 14. The Committee agreed that the CEP was not required to withdraw for any items.
- The standing declarations of Holly Anderson, staff governor and Head of Marketing, particularly in relation to item 8.2. The Committee noted that for item 8.2, Holly would not be part of the quorum or able to vote should such a vote be required.
- Dick Moore's interest as a trustee of the National Extension College in relation to the Annual Members' Report and Financial

Statements. The Committee agreed that Dick was not required to withdraw for any items.

20/5/3 Minutes of the meeting on 7 October 2020

- 3.1 The Committee approved the minutes of the meeting on 7 October 2020 as an accurate record.

20/5/4 Matters Arising & Action Record

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

Minute 20/4/20 Capital Projects Update: Andrew Hartley, Executive Director of Commercial and Operations (EDCO) reported that the Local Enterprise Partnership had extended the period of the funding agreement for the Digital Skills Network capital project to September 2021. The Committee welcomed this news as it would assist the College in mitigating the delay to the works caused by COVID-19 in spring 2020.

Minute 20/1/5.4 refers: Lennartz: Kate Platts, Executive Director of Finance and Resources (EDFR) reported that the judgement on the leading Lennartz case was still awaited.

Minute 20/4/5.3 (replacing 19/5/14): EDFR gave a verbal update on the work of the Estates Department to implement a tender tracker, process, and timescales to ensure that staff give early notice of large maintenance contracts or similar that are running out of contract so that these can be properly re-tendered without recourse for waivers. The Committee approved this action as complete and that it would be monitored via future requests for waivers.

Minute 20/4/26.3 Self-assessment: the Clerk reported that she had received suggestions of strengths and weaknesses for inclusion in the FEGP self-assessment as follows. The College's main strengths are its current cash position and stable operations maintaining internal controls during CV-19; its main risks (from an FEGP perspective) are the sensitivity of its income forecasts for apprentice recruitment and apprenticeship achievement given ongoing disruption of CV-19 to end point assessments. The Committee approved this action as complete.

- 4.2 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 and as above.

20/5/5 People: KPI update 2020-21

- 5.1 Paul Simpson, Executive Director of People (EDP) presented the report which included
 - the continuing downward trend in staff absence rates and staff turnover,

- an update on the outcomes and impact of the Friday Pulse survey of staff happiness and
- data on completions of mandatory training, including new mandatory modules on fraud and cyber security.

5.2 Members discussed the report, the main points discussed were as follows.

Impact of remote working: members considered the data from pulse surveys and how managers were using it to maintain engagement during remote working. The Executive Director of People (EDP) said that it had been helpful for managers to receive frequent feedback but over the course of the trial, participation in the trial had declined. Staff had appreciated the feature for thanking people and celebrating team successes and this would be continued using features in Microsoft Teams.

ACTION: EDP agreed to share learning with Sheffield Hallam University HR team on different strategies for promoting engagement during remote working.

EDP 20.1.21

Pay claim 2020-21: the EDP reported that the Association of Colleges' is in the process of sector negotiations. The College had received the University and College Union (UCU) pay claim and had asked other unions to submit their local pay claims. The College has local bargaining so is not bound by the outcome of the national negotiations, but it is a useful benchmark.

5.3 The Committee received the report and welcomed the assurance provided by the report and discuss by exception, the matters arising.

20/5/6 People update

6.1 The EDP presented a report on the implementation of the People Strategy including an update on recruitment to vacancies and the outcomes of restructuring consultations in Dance, Travel & Tourism and Inclusion/SEND.

6.2 The Committee noted the update for information.

20/5/7 Pay: Market Forces Policy

7.1 The EDP presented the proposals for a new policy that would permit the College to offer a pay supplement for vacancies where managers have exhausted all other routes to recruit. The EDP had previously reported on the difficulty of recruiting to some specialist technical trainer roles where the College's standard pay scales could not compete with industry pay rates. Managers had therefore looked at practice elsewhere in the sector about how to fill such roles. The EDP said that College senior managers had consulted on the policy with the Joint Consultative Committee (JCC) prior to bringing it to the Committee for approval.

- 7.2 The Committee considered the proposals and the main points discussed were:

Staff morale and equality: members were concerned to mitigate the potential for the policy to be divisive. It was agreed that where staff were doing precisely the same role, the College had to ensure there was no unfair discrimination. Use of the supplement to retain staff would need to be dealt with very carefully in line with the purpose of the Policy.

Fixed period: the proposal was that the supplement would be for a fixed period and subject to review. It was commented that this might be unattractive to applicants and an incentive for new recruits to leave at the end of the period. The EDP said it was a review point to check that the supplement remained valid and fair. It was noted that changes to the FE curriculum can be quite rapid and retaining a review point would be sensible.

ACTION: the EDP agreed to review the wording of the sections relevant to the points made in the meeting.

EDP 6.1.21

- 7.3 The Committee approved the policy, subject to the EDP amending the wording on review, as above which would be confirmed outside the meeting by the FEGP Chair, FEGP Vice Chair and Chair of Governors.

20/5/8 Recruitment KPI update

- 8.1 Andrew Hartley, Executive Director of Commercial and Operations presented the P3 recruitment data for the board to monitor recruitment in 2020/21.
- 8.2 The Committee received the report noting that Higher Education recruitment had improved since the last meeting and with the January enrolment, would be close to target.
- 8.3 The main points discussed were:

Apprentice recruitment: the EDCO said that apprentice recruitment had achieved its target for P3. The College was aware of some employers deferring their next intake of apprentices to Summer 2021. Members were reassured that the College was looking at the forward plan for apprentice recruitment in detail at business reviews. The impact of budget forecasts is recorded below.

Impact of COVID-19 and redundancy: members asked about the end of the Job Retention Scheme and if this was having a negative impact on apprentices. The EDCO said that there had been very few redundancies amongst its apprentices. The College was working hard to find alternative routes for apprentices displaced by the pandemic. There were examples of other companies being willing to offer opportunities for such apprentices to complete their training.

Returning students: a member asked if the College had data on the percentage of students returning to complete study and if this had improved compared to previous years. This was an important potential marker for the College's improvement.

ACTION: The EDCO (Executive Director of Commercial and Operations) said that the trend is positive, and he would provide this data to members.

EDCO 9.12.20

8.3 The Committee received the report.

20/5/9 Marketing update

- 9.1 Andrew Hartley, EDCO, presented an update on marketing activities in 2019/20 and the start of 2020-21. The Committee welcomed the report, commenting that the quality, tone, and style of marketing collateral is excellent, and it is notable that it is delivered by a small team. Members commended the Marketing Team particularly for:
- how they had worked with curriculum colleagues to move key student activities online including recruitment, enrolment, open days, induction, and freshers' fair.
 - Supporting the development of the College's applications for beacon status.
 - Developing and launching the College's new website.

20/5/10 Finance KPI update

- 10.1 Kate Platts, EDFR presented the report on the College's financial performance for first quarter 2020/21 against the key performance indicators the Committee had agreed in October.
- 10.2 Members asked about changes to the forecast for the challenges around apprenticeship income if recruitment targets in later quarters was not realised. The EDFR said that the Executive Leadership Team would be updating the forecasts following the business review meetings and considering the impact of reduced or delayed recruitment on the cash flow forecast and the budget. Faculties were also engaging with opportunities to provide re-training people back into work.
- 10.3 The Committee received the report and requested that the CEP report to FEGP Chair and members as soon as possible if the outcomes of the business review meetings would require adjustments to the 2020-21 budget. Otherwise, members looked forward to receiving an update in January once business review meetings had been concluded.

20/5/11 Report on Student Union Accounts for year ended 31 July 2020

- 11.1 Members received the report on the Students' Union accounts for 2019/20. These are fully incorporated into the College accounts and are managed in accordance with the College financial regulations. The Committee noted the report.

20/5/12 Waivers of the Financial Regulations

- 12.1 The Committee noted that there had been no waivers approved or request for waivers of the financial regulations since the last meeting.

20/5/13 Pensions Statement

- 13.1 The EDFR presented the report, updating members on the College's position as regards its three main pension schemes. This is to ensure that members understand the impact of pension changes on the College's finances and financial statements.
- 13.2 The Committee noted the pensions statement and the information relevant to the College's future sustainability.

20/5/14 ESFA November 2020 Data Collection

- 14.1 The EDFR introduced the report explaining that the ESFA (Education and Skills Funding Agency) had asked colleges to update and extend the monthly cash flow forecasts submitted in July 2020. The report explained the changes to the cash flow forecasts since July, including the more favourable outcome for 2019-20, forecast reductions in commercial income and sensitivity of apprenticeship recruitment. As the ESFA deadline for submission is 27 November, therefore FEGP is asked to endorse and recommend for final sign-off via Chair's action by the Chair of Governors
- 14.2 Members discussed the proposed submission, and the main points were:
- External funding priorities:** members noted that the government had produced a list of subjects for thee funding for adults accessing Level 3 qualifications. That list was also likely to influence other funding opportunities. A lot of TSC (the Sheffield College) curriculum areas are not included in the adult L3 list. In determining the strategies and priorities for 2021 – 2025, the College will need to
- Income sensitivity:** as above, members were keen to understand how the uncertainties around apprenticeship income had been reflected in the forecast. The EDFR said the commentary flagged the risks in the key variables and sensitivities. The College has a strong cash position and has been realistic in undertaking sensitivity analysis.
- 14.3 The Committee endorsed the submission and recommended it for sign-off by Chair's Action for to the Accounting Officer submitting it to the ESFA. Should further changes be required, the Chair of the Governing Body will consider the proposals advised by the Chair and Vice Chair s of FEGP and ARAC.

20/5/15 Subsidiary Companies: annual report and financial statements for year ending 31 July 2020

- 15.1 The Committee noted the draft accounts for the College's three wholly owned subsidiary companies. It was further noted that the Financial Statements' auditors were in the process of completing the audit and they would also require approval by the respective board of directors following completion of the audit.
- 15.2 The Committee noted the reports and requested that the Finance department check that the principal activities described in the company accounts are consistent with the revised remits for the subsidiary companies which were updated in 2019-20.

20/5/16 Subsidiary Companies: updates from board meetings

- 16.1 The Committee received the updates from the meetings of the subsidiary companies' board of directors on 14/10/2020.

20/5/17 Modern Slavery Policy review and annual statement 2019-20

- 17.1 The EDFR presented the review of the Modern Slavery Policy and the proposed statement for 2019-20. In summary, the reported assessed that the College still had work to do to move College processes from adequate to best practice.
- 17.2 The Committee received the report and approved the statement, noting that it requires updating for 2019-20.

20/5/18 Health and Safety KPIs: 1 August to 31 October 2020

- 18.1 The Committee received the report on performance against the key performance indicators for health and safety. It was noted that the incidents recorded had been minor and nothing required external reporting. This was in the context of fewer staff and students working on campus. There had been individual cases of COVID-19 among staff and students (reported to governors in the CEP's weekly update) but the College had not had any outbreaks.

20/5/19 Health and Safety update and policy

- 19.1 The Committee considered the report, including an update on the implementation of a new organisational structure for health and safety. The papers included proposals for changes to the Health and Safety Policy to reflect the new structure.
- 19.2 The Committee reviewed the updated Policy statement and suggested amendments as follows.
- The policy should not be restricted to users of college premises, it should extend to all College activities, on or off campus.

- Check that the Safety Representative role is accurately represented in the policy and if this role is restricted to trade union representatives only?

19.3 The Committee received the report and approved the updates to the Policy subject to the checking the final version in line with the comments above.

Audit and Risk Assurance Committee members joined the meeting at 09.30 to consider the Draft Annual Members' Report and Financial Statements for 2019-20 and supporting papers. The discussion at the joint meeting is recorded in a separate set of minutes, published with ARAC minutes.

20/5/20 Date and time of next meetings

20 January 2021 08:30 - 10:30

24 March 2021 08:30 - 10:30

23 June 2021 08:30 - 10:30