



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

Date: 1 May 2019
Venue: The Boardroom, City Campus, the Sheffield College
Clerk to the Corporation
Granville Road
Sheffield, S2 2RL
Tel: 0114 260 2620
Email alison.shillito@sheffcol.ac.uk

Present: Kim Streets, Chair
Peter Brooks
Angela Foulkes
Beri Hare
Stephan Hollingshead
Seb Schmoller

In attendance Kate Platts, Executive Director Finance and Resources
Paul Simpson, Executive Director HR and Organisation Development
Alison Shillito, Clerk to the Corporation **Action**

by whom **by when**

19/2/01 Welcome and apologies for absence

- 1.1 Apologies for absence were received from Jay Bhayani, Saleem Rashid (governors) and Andrew Hartley, Commercial Director (who would normally be in attendance).
- 1.2 The meeting was declared quorate and commenced at 8.30 am.

19/2/02 Declarations of Interest

The Committee noted Angela Foulkes' declaration of a standing interest as Chief Executive and Principal of College.

The Chief Executive and Principal (CE/P) and Kate Platts, Executive Director of Finance and Resources (EDFR) in attendance, declared a standing interest as directors of Sparks Managed Services Ltd, Sparks Solutions Limited and Sparks Teaching Services Ltd, relevant to agenda items 9 and 10i in particular. Paul Simpson Executive Director of HR and Organisation Development (EDHROD) declared an interest as a director of Sparks Solutions Limited The Committee agreed that the CE/P EDFR and EDHROD were not required to withdraw for any item but the CE/P would not be eligible to vote nor counted in the quorum for items 9 and 10i. No action was required in respect of the Executive Directors' declarations, as they were not Committee members.

Peter Brooks declared an interest in item 13 in particular, as a director of a company that offered apprenticeships.

19/2/03 Minutes of previous meeting

- 4.1 The Committee approved both the public and confidential minutes of the meeting held on 6 March 2019 as a true record.

19/2/04 Matters Arising and Action Record

4.1 The Committee considered matters arising not on the agenda as follows.

4.2 Minute 19/1/5.3 refers – Lennartz VAT cases

It was noted that action on this item was scheduled for the end of the current financial year.

Action: the Committee requested that the EDFR make a written report to the Committee's July meeting.

EDFR 3 July
2019

4.3 The Committee noted the updates and agreed that the actions recorded as completed on the tracker and in the meeting should be removed from the action tracker.

19/2/05 Marketing Strategy presentation

5.1 The Head of Marketing presented the marketing strategy to members highlighting:

- the extensive forward plan of promotional activities for 2019/20, which included a plan for each main market as well as course specific activities and support for performing arts, visual arts, Silver Plate etc;
- the College's success in engaging with potential students and others via social media;
- the way the team was engaging with staff, online and in open meetings, to seek out staff views about how the College is promoted and what changes they would like to see for their course or curriculum area;
- the initiative to engage with Primary School learners with the College hosting its first Primary Festival for Year 6 students on 20 May. This would be a careers focused event to encourage younger students to think about careers and the College's offer.
- the internal communications calendar to support the College's improvement journey and employee engagement. The team had requested an additional post to support this area of work better.

5.2 Governors complimented the Head of Marketing on the high quality of materials produced by her team and the amount of engagement that they were generating on a relatively modest budget.

5.3 Governors noted the presentation and supported the priorities outlined including a renewed focus on improving internal communications and reviewing and redeveloping the College's external website.

19/2/06 Key Performance Indicators (KPIs) update

6.1 The EDFR and the Executive Director of HR and Organisation Development (EDHROD) introduced the Key Performance Indicators. The Committee noted that the overall budget position had significantly improved since the reports presented at the March meeting. The EDFR said that the College was forecast to meet the covenants attached to its loans and its bankers were satisfied with the Colleges financial performance. It was noted that agency teaching costs were above budget but this was offset by savings in establishment staff salaries whilst vacancies were being filled.

6.2 EDHROD reported that there was positive progress in staff completing Go Further Reviews; mandatory safeguarding training and engagement with performance management processes.

6.3 Members considered the report as follows:

- Members welcomed the report that almost 100% of TSC staff were up to date with mandatory safeguarding training (with only staff on long term absence still to complete training once they were fit to return to work). There were still issues with some agency staff not completing training but this was being remedied by the offer of payment to active agency staff and sanctions for non-completion. The Committee supported the action senior managers were taking to maintain high completion levels for new starters and refresher training for existing staff.
- P8 Student Recruitment data - 16-18 recruitment was forecast to be slightly below target; adult recruitment on target; no change to HE, which remained below target, and self-funded students were above target. Members asked if there was anything further that could be done to increase 16-18 recruitment before the end of the year. The CE/P said that there would be a small number of planned new enrolments still to take place, primarily through The Prince's Trust programme, and these would ensure that end of year 16-18 headcount was closer to target. Staff continued to pursue opportunities such as recruiting additional groups to planned intakes of short programmes.

6.4 The Committee noted the report and supported the work the College had done to achieve a good forecast for the 2018/19 out-turn.

19/2/07 Student Support Funds Policy

- 7.1 In the Commercial Director's absence, the EDFR introduced the report, highlighting that changes to national rules would result in increased pressure on student support funds for 16 – 18 year old students in 2019/20. To maximise the positive impact of support funding, the revised Policy proposed tighter criteria for support to target funding towards students in the poorest households.
- 7.2 Members asked how the College ensured that the student support funding had a positive impact on students' engagement and achievement. The EDFR said that previously the College had paid financial allowance to qualifying students via BACS. This was relatively simple administratively but it was not clear whether bursaries were having a positive impact on engagement. Attendance data showed roughly the same attendance rate for funded and non-funded students.
- 7.3 With reduced funds available in 2019/20 (when the College would no longer be allowed to roll forward unused free school meals funding and use it for other support) the College wanted a more targeted approach where the impact would be measurable. The Policy proposed to give eligible students benefits in kind that would have a positive impact on their education – meal cards for free college food; travel cards to get to college; equipment for learning; and funding for educational visits to enrich learning. This approach would enable the funding to go further and would be more likely to have a positive impact on student attendance and engagement.
- 7.4 The Committee approved the policy and welcomed a good report on how the College is managing challenging budgets for the benefit of students.

Action – Commercial Director to finalise and publicise the Policy.

CD

30 June
2019

19/2/08 Employee engagement survey: initial results

- 8.1 The EDHROD presented the initial findings of the Employee Engagement Survey run by Valuentis in March 2019. He reported that the survey had received the College's highest response rate, 77%, an increase of 4.6 percentage points compared to the 2017 survey. In addition, the overall score for engagement (a Valuentis measure) had increased by 4 percentage points from the previous survey. Of the key areas surveyed, 16 showed an increase in satisfaction whilst 13 had decreased. The largest increases were in perception of senior management, College values/integrity and aspects of team management. The largest declines in satisfaction related to aspects of line manager roles (communication and meaningful one to one meetings) and perception of reward.
- 8.2 The Committee considered the presentation as follows:
- i) It was noted that dissatisfaction with reward had had a negative impact on the overall engagement score. Members said that they were not surprised by the views on reward as the sector was being vocal about the low level of pay awards for FE compared to other sectors and pay difference between teachers in FE and secondary schools. Governors supported the action being taken on reward by the College, such as addressing the 2017/18 pay award and improving the benefits of subsidiary company staff within the limited resources available.
 - ii) Governors asked how senior managers proposed to address the decline in satisfaction with line manager communication and one to one meetings. The EDHROD said that the results from completion of the Go Further Reviews indicated that feedback between line managers and staff and one to one meetings were happening but staff were not linking this to the question. This feedback confirmed that the actions to develop line manager skills in College Improvement Plans (CIP) were focusing on the right things. The CEP confirmed that the specially commissioned external management development programme for Senior Leadership Team was due to launch in mid-June and run in July and September 2019.
 - iii) Governors asked about the analysis for particular areas. The EDHROD said that the headline figures did mask variation in the responses of different teams. There would be further disaggregation of data so that each department would see and discuss its scores and create local action plans. There would be pulse surveys on particular issues to help assess the impact of improvement actions on key areas.
 - iv) Governors commented that board and committee discussions needed to go beyond the overall data and they looked forward to receiving more detailed data and action plans. Governors wanted to feel confident that the areas reporting very poor satisfaction were identified, the causes of the dissatisfaction were understood and the College was taking action to address those matters within its control.
 - v) Governors asked about the correlation between the survey questions and the staff survey questions under the new Education Inspection Framework. The EDHROD agreed to highlight those responses in a more detailed report to TLQSE Committee in June, which would also give team level data and highlight areas with low dissatisfaction for key indicators.

- 8.3 The Committee noted the presentation, commenting that the College needed to learn from the survey and ensure that it followed through on dissemination, discussion and action planning, which had been lacking on the 2016/17 the previous survey. It was further noted that the detailed reports and actions would be presented to TLQSE Committee in June 2019, as the results and action being taken to improve teaching staff engagement and morale were a priority. This would be reported to Governing Body's July meeting and via the TLQSE Committee minutes and Chair's report.
- TLQSE July
Chair 2019

19/2/09 Subsidiary companies - employment changes and implications for The Sheffield College CONFIDENTIAL

- 9.1 The EDHROD presented a confidential paper and reported that company staff had been consulted about the proposal to improve the certain aspects of staff leave. The Executive Team recommended to the Committee that these proposals be supported by the College.
- 9.2 The Committee endorsed the proposals, and recommended them to the relevant Company Directors for approval and implementation.
- Sparks July
Directrs 2019

19/2/10 Right to request The Sheffield College (TSC) position for employees of Sheffield Teaching Services Ltd CONFIDENTIAL

- 10.1 The EDHROD presented the report, the discussion is recorded in a separate confidential minute.
- 10.4 The Committee received the progress report, endorsed the steps being taken to ensure that decisions to transfer staff to the College were sustainable and fair and noted that consultation with staff representatives was continuing.

19/2/11 College Absence and Welfare Policy CONFIDENTIAL

- 11.1 The EDHROD presented the report, commenting that in 2018/19, staff absence was at around the same rate as 2017/18. The College occupational health scheme was similar to that elsewhere in the FE/HE sector but some local procedures had made it cumbersome to manage staff absence. The proposals, which had been discussed with JCC, sought to address this.
- 11.2 The Committee considered the report as follows:
- Governors supported the work senior managers and HR were doing to promote staff welfare and good health in workplace. It was noted that the changes to managing long term absence were not intended to undermine the College's commitment to supporting staff with long term health issues to continue to work at the College.
 - Governors endorsed the principles and commented that the policy document was not easy to read. Governors asked managers to review the readability of the document, use shorter sentences, fewer more simple words and include a simple diagram so that the policy would be understood by staff with a lower level of literacy.
- EDHR Sept
OD 2019
- 11.3 The Committee noted the report and that consultation was continuing to finalise the Policy.

19/2/12 Health and Safety Report – 2018/19 Term 2

- 12.1 The EDFR presented the report. The Committee noted the following.
- The College was continuing to look at other ways of improving first aid cover at Hillsborough Campus;

- online reporting of incidents was being introduced. This would improve the consistency and tracking of reports but might lead to an increase in the number of reports next year. Members should bear this in mind when making comparisons.

12.2 The Committee noted the report.

19/2/13 Finance Report (Period 6) Management Accounts

- 13.1 The Committee received the report noting that, as per the discussion on KPIs, income was on target but there was a variance on expenditure on pay. The College's cash balances remained in a good position and would meet the requirements of the College's loan agreements. Some of the discussion is reported in a confidential minute.
- 13.2 Governors noted that the College had made savings on pay in the first half of the year and the proposal to use the funds to accelerate planned works to improve the student experience. The plans included refurbishing learning spaces for the Sheffield Sixth Form and Animal Care; renovating reception spaces to make them more student friendly and create student hubs; and establishing the Learning Innovation Centre at Hillsborough to support teaching and learning innovation and CPD.
- 13.4 The Committee noted the report and welcomed the improvement in pay spending against the budget. Governors recognised that the savings could be retained to improve the College's cash position but supported the proposal to invest in accelerating estate improvements so that students could start to benefit from the changes as soon as possible.

19/2/14 Final Funding Allocations 2019/20

- 14.1 The CE/P gave a presentation reporting the ESFA allocations to the College for 2019/20, which had been confirmed at the end of March 2019. The presentation highlighted that each funding stream was subject to particular rules and payment profile.
- 14.2 Governors asked about the risks arising for ESFA non-levy apprenticeship funding, where demand continued to outstrip supply. The CE/P said that the ESFA had said it would review its methodology for non-levy funding. In addition, members asked about the risks to the College if the ESFA removed funding for apprenticeship frameworks before equivalent apprenticeship standards were available. The CE/P said that there was sector-wide concern about the lack of availability of standards, particularly at Level 2. The suggestion that a transitional year into Level 3 would address this would not be appropriate for the College's learners as too many of them arrived at TSC with fewer than 5 GCSEs at A* - C. The British Chamber of Commerce and other sector groups were trying to focus DfE attention on this issue.
- 14.3 The Committee noted the presentation.

19/2/15 Office for Students (OfS): Letter on financial sustainability

- 15.1 The Committee noted the correspondence from the OfS, which warned that most providers who submitted business plans to OfS included increases of between 5 to 10% per annum in undergraduate student numbers. OfS highlighted concerns about the sustainability of such plans given the demographic decline in the number of 18 – 21 year olds in the UK, the uncertainties around EU and international recruitment and other turbulence in the sector. The OfS urged governing bodies to scrutinise plans carefully, particularly those predicated on student number growth.

19/2/16 **Bad Debt Write-Off**

- 16.1 The Committee noted that there had been no write off of debt since the last meeting.

19/2/17 **Waivers of Financial Regulations**

- 17.1 The Committee noted there had been three waivers granted since the last meeting. A member asked about the role of the Chair and members in approving waivers. The EDFR said that the Financial Regulations included levels of delegated authority for waivers, within certain criteria and financial limits. The EDFR said that she had approved one waiver because a contract had reached the end of its term and the team needed more time to scope future needs and develop a tender process. The newly appointed Senior Procurement Officer would be developing a contracts register to ensure supplier contract periods and renewals would be systematically tracked in future.

19/2/18 **SCR Skills Capital Bid Update**

- 18.1 The EDHROD presented a confidential report. Governors noted that the rate of return on investment included in the original proposal had been reviewed and revised resulting in a longer payback period. Governors noted the change, agreed that the project continued to represent a good return on investment and endorsed the revisions to the bid.

19/2/19 **Potential sale of land**

- 19.1 The EDFR presented a confidential report about the options for disposing of land that was not required by the College and had been leased on a long term basis for some time. Discussion of the proposal is recorded in a confidential minute.
- 19.3 The Committee approved the proposals to explore the options for disposal of the land or otherwise.

ACTION – EDFR to pursue the options, report to FEGP Committee on 3 July. Proposals for disposal to be approved by Governing Body.

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19/2/20 **Review of the meeting and closing remarks**

- 20.1 The Committee reviewed the meeting and commented as follows.
- The Chair drew members' attention to the Internal Audit Review of Estates Management, which had been circulated with the board pack, and asked them to consider its recommendations in the context of the forthcoming Accommodation Strategy.
 - Members commented that they had been impressed by the quality and thoroughness of the papers presented to the meeting. There had been a noticeable improvement in quality and members thanked the EDHROD and EDFR in particular for their hard work in ensuring the Committee had timely, accurate and high quality reports.
 - The Chair reported that the Vice Chair would be chairing the meeting on 3 July. This was part of the preparation for the Vice Chair taking up the role of Chair of FEGP Committee for 2019/20.

19/2/21 **Date of next meeting**

Wednesday 3 July at 8.30 am in the Board room at City Campus.