



## FINANCE, EMPLOYMENT AND GENERAL PURPOSES COMMITTEE CONFIRMED MINUTES

**Date:** 3 July 2019

**Venue:** The Boardroom, City Campus, the Sheffield College

**Present:** Stephan Hollingshead Chair  
Peter Brooks  
Angela Foulkes  
Beri Hare  
Seb Schmoller  
Saleem Rashid (from 08.45)

**In attendance:** Kate Platts, Executive Director Finance and Resources  
Paul Simpson, Executive Director HR and Organisation Development  
Alison Shillito, Governance Advisor and Clerk to the Governing Body

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		Action	
		by whom	by when
19/3/1	<b>Welcome, Introduction and apologies</b>  Apologies were received from Kim Streets and Jay Bhayani (members) and Andrew Hartley Commercial Director who would normally attend to present updates to the Committee..  The Vice-Chair agreed to chair the meeting in the Chair's absence.		
19/3/2	<b>Declarations of Interest</b>  There were no new declarations. The Committee <u>noted</u> the standing declarations of <ul style="list-style-type: none"><li>• Angela Foulkes, as a member of staff of the college and Director of the college's wholly owned subsidiary companies</li><li>• Saleem Rashid, as a member of staff of the College.</li><li>• Kate Platts and Paul Simpson (college officers in attendance) as Directors of the college's wholly owned subsidiary companies.</li></ul> The Committee did not require any action in relation to these declarations.		
19/3/3	<b>Minutes of the last meeting held on 1 May 2019</b>  The Committee <u>approved</u> both the public and confidential minutes of the meeting held on 1 May 2019 as a true record.		

#### **19/3/4        Matters Arising and Action Record**

- 4.1 The Committee considered matters arising and action tracker items as follows. Some of the discussion is recorded in a separate confidential minute.
- 4.5 **Minute 19/2/09 and 10 refer: Sparks Managed Services Ltd and Sparks Solutions Ltd - changes to employee terms and conditions**

The Committee noted that meetings of the company board of directors would take place later in July to consider the changes.

Clerk & 31/7/19  
Director

4.6 **Minute 19/2/09 refers: Employment Policy Review**

The Executive Director of Human Resources and Organisation Development (EDHROD) reported that consultation with staff had been completed on proposals to give STS Ltd staff the opportunity to apply for a permanent role at the college. The college was proceeding with implementation. This action was completed.

4.7 **Minute 19/02/07 refers: Potential sale of land at Shirecliffe Site**

The EDFR reported that discussions were proceeding with a potential buyer for the sale of the freehold of a small area of land at the former Parkwood College site. Regarding the income generated by the sale, the EDFR said that this was still uncertain, not likely to be significant and therefore had not been built into the 2019/20 budget. The sale proposal would go to Governing Body for approval, normally via the Committee, depending on the time constraints of completing a sale.

EDFR 9/10/19

4.8 **Minute 19/1/14.3 refers: Fees & Charges Policy 2019/20**

Members considered a proposed amendment to the Fees and Charges Policy, approved in March 2019. The changes were:

- To increase the international tuition fee following further analysis of costs and market rates and
- To increase the charge made for homestay accommodation, to reflect an increase in the amount that the college needs to pay to attract local families willing to provide good quality accommodation for international students.

The Committee approved the amendments.

- 4.9 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.

#### **19/3/5        Presentation: Employer Engagement and Job Connect**

- 5.1 The Head of Employer Engagement made a presentation explaining
- how the Employer Engagement Team identifies and works with employers to assess their training needs and meet

them.

- the work of Job Connect in securing applications for new apprentice roles
- the role of Business Development in managing the college's relationships with employers.
- How the Route to Employment scheme was working with Job Centres and work coaches to assess the training needs of people looking for work. The scheme had dealt with over three thousand enquiries from Job Centres and Work Coaches in 2018/19 and there had been 2442 starts on training programmes.

The team's targets for 2019/20 included:

- working with partner employers to develop the college's commercial training offer for staff CPD;
- continuing to bid for and win tenders to be the preferred training provider for more Apprenticeship Levy-Paying employers;
- increasing the number of sector based work academies
- working with the industrial work placement team to provide a coordinated service to employers and generate opportunities for students.

5.2 Members asked how the team ensured that intelligence was shared and that the college was able to reach new sectors and employers. The Head of Employer Engagement said that the team used regional development reports and conducted its own analysis to target sectors with potential and gaps in provision, for example prioritising the care sector through engagement with SYREC.

5.3 The Committee received the presentation and encouraged the Employer Engagement Team in its efforts to extend the college's reach to different employers and sectors and derive maximum benefit for current and future learners.

## **19/3/6 Key Performance Indicators Update**

6.1 The Committee received the report noting:

- **Finance** - the KPIs were in line with the report presented in May 2019; there were no new significant variances;
- **HR** - turnover of existing staff had increased although this was the time of year when staff would look to move and the college was restructuring some aspects of provision to match more closely to the pattern of demand. The college had introduced an online exit questionnaire. Data from this would inform future reporting on turnover.
- **Health and Safety** – this was RAG rated as red due to a number of accidents earlier in the year. All the accidents had been investigated and where possible actions put in place to prevent or reduce the risk of a reoccurrence.
- **Staff development** – the college was now maintaining consistently high completion rates for completion of

mandatory training in safeguarding.

- **Student recruitment** – the number of 16-18 years had remained steady through the year and this was good news for the 2020 budget allocation. The number of adult learners had decreased but the success rate had improved so the college generated more income from each enrolment.

6.2 Members noted the report and in particular commended:

- the improvement in the completion rate of mandatory staff development. This was something that members had expressed concern about previously and had pursued rigorously at TLQSE and Governing Body. Members supported senior managers' actions to ensure that this important aspect of the safeguarding policy was being actively implemented.
- The college's actions to improve the success rates of adult students. This obviously had a significant impact on transforming students' life opportunities and also improved the efficiency of the college's provision. The Chief Executive and Principal (CE/P) said that next year the new dashboard would show the number of students with whom the college is engaging and the income generated by their engagement to give members a fuller picture.

#### **19/3/7      Employment Policy Review**

This item was reported under matters arising, minute 4.6 above refers.

#### **19/3/8      Health & Safety Report – Period 10 2018/19**

The Committee noted the update, the data for which had been considered under KPIs.

#### **19/3/9      Finance Report Period 10**

- 9.1 The EDFR presented the report based on the Period 10 Management Accounts. Members noted that the financial health of the college continued to be 'good'. Members asked what action the college was taking to address the shortfall in HE income. The CE/P said that managers were focusing on retention and progression of existing HE students and working with current level 3 students to secure new recruitment in a crowded HE market.
- 9.2 The Committee noted the report and supported management actions to maintain good financial health at a difficult time for FE sector finances.

#### **19/3/10      Draft Budget 2019/20 and Three Year Financial Plan**

- 10.1 The EDFR presented the draft budget, explaining that it was based on the second year of the three year plan approved in July 2018. The assumptions were cautious and included:
- Assuming the worst case scenario for the increase in employers' contribution to the Teachers' Pension Scheme

(TPS) i.e. that the DfE would not fund the additional cost beyond its current commitment;

- A fairly flat recruitment line with increases in income mainly being generated by improved retention, progression and student success.

10.2 The Committee scrutinized the draft budget and challenged some of the assumptions, particularly around areas proposed for income growth. Members discussed the following:

- How the projected pay cost ratio of 64% compared to high performing colleges in the sector. Members were satisfied that the ratio looked reasonable in the context of past years' data but asked for sector comparators to be included in the report to Governing Body.
- Whether aiming for outstanding financial health by year 2021/22 would be at the cost of investment. The EDFR commented that it was a turbulent period for FE sector finances and outlined the main risks that might mean the college could not achieve outstanding financial health. A thorough assessment and plans for the risks (cost of TPS and devolution of AEB budget) had led the Executive Team to recommend a cautious budget based on a forecast of low income growth, careful cost control and investing some surplus in continuing to improve the quality of provision and the student experience. It was commented that governors should not under-estimate the value of being recognized as outstanding which could lead to other opportunities.
- Whether the (albeit small) growth in HE income forecast in the budget was realistic. The EDFR said that the income forecasts were supported by sensitivity analysis with alternative scenarios should targets not be achieved. The budget did not propose to increase spending on the basis of uncertain growth.
- It was noted that year 2 of the cashflow still needed to be added to the document but members welcomed that, overall, the plan was much further developed than at the same point in 2017/18.

10.5 Subject to the addition of the cash flow projection for 2020/21, the Committee recommended approval to the Governing Body.

EDFR 10/7/19

### **19/3/11 Accommodation Strategy 2020/21**

11.1 The EDFR presented the report outlining the Executive Team's approach to developing proposals that looked at the longer term development of the college's estate.

11.2 Members made the following comments to help inform the further development of the strategy.

- The 'vision' for the accommodation strategy should explicitly reference the vision in the College's corporate strategy – i.e. putting students at the heart of our accommodation plans
- The curriculum needs and digital curriculum developments should drive the accommodation strategy not vice versa.
- The plan for Peaks Campus should be as strong and clear

as that for City, Hillsborough and Olive Grove campuses.

- 11.3 The Committee noted the report and expressed support for the developing strategy.

**19/3/12 Capital Projects Update**

- 12.1 The EDFR presented the report outlining capital expenditure for 2018/19. The report included how 'in year' pay savings had been used to complete some projects earlier than planned to enhance the student experience. These projects included the introduction of contactless pay points at cafeteria tills. This change was a direct response to student feedback about reducing queueing times and making payment easier. The change has been received positively by students.
- 12.2 The Committee noted the report and welcomed the assurance that, within budget constraints, senior managers were prioritising projects with a direct positive impact on the student experience.

**19/3/13 Subcontracting update 2018/19**

- 13.1 The CE/P presented the report in the absence of the Commercial Director. Some of the discussion is recorded in a confidential minute for reasons of commercial sensitivity. The purpose of the report was to update the committee on the amount and cost of the college's subcontracted provision. TLQSE Committee received reports on the quality of subcontracted provision and it was monitored in the same way as other college provision.
- 13.3 The Committee noted the update.

**19/3/14 Subcontracting: Supply Chain Retained Funding & Charges Policy 2019 to 2021**

- 14.1 The Committee received the policy, noting that annual review and re-approval of the policy was a requirement of subcontracting rules in the ESFA funding agreement. The Committee noted that the charges listed in the policy had been held at the same level as 2018/19.
- 14.2 The Committee agreed that the proposed level of retained funding and charges for subcontracted provision continued to be appropriate for 2019/20 and approved the policy, on behalf of the Governing Body, there being no changes proposed that might have an impact on the educational character of the College.

**19/3/15 Deed of Surrender relating to a sub-lease of land at Livesey Street by National Grid Electricity Transmission Plc**

This paper was not available in time for the Committee to review and was referred directly to Governing Body to consider for approval.

Clerk

10/3/19

**19/3/16 Waivers of Financial Regulations**

The EDFR reported that there had been no waivers approved since the Committee's last meeting.

**19/3/17      Bad Debt Write-Off**

The EDFR reported that there had been no write off of bad debts proposed since the Committee's last meeting.

**19/3/18      Committee Work Plan 2019/20**

The Committee received the proposed cycle of business for 2019/20. Members noted that there was some overlap with Audit and Risk Assurance Committee's responsibilities for oversight of compliance with laws. FEGP Committee would continue to receive health and safety reports on a termly and annual basis, as part of its remit for maintaining oversight of staffing matters. Oversight of the college's compliance with laws on preventing modern slavery within business supply chains would sit with Audit and Risk Assurance Committee.

The Committee approved the Work Plan for 2019/20.

**19/3/19      Review of Meeting and closing remarks**

- 19.1 Members commented that the college had made impressive progress during 2018/19 in stabilising its finances. Members were also pleased with the speed with which senior managers were addressing the HR matters and policies, this was a critical step in supporting the college's progress in improving teaching and learning as well as achieving the ambitions of the people strategy.
- 19.2 The Committee offered its thanks to Kim Streets as retiring Chair commenting that she had stepped up to the challenge and steered the committee with great aplomb during the year. Members thanked Kim warmly for her service to the Committee.

**19/3/20      Date of next meeting**

Wednesday 9 October 2019 at 08:30 in the Boardroom, City Campus