

THE TRAFFORD COLLEGE GROUP

**Minutes of the Resources Committee Meeting  
held on Wednesday 26 April 2023 at 5.30 pm via Microsoft Teams**

<b>Present:</b>	Janet Grant	(Chairperson)
	James Scott	(Principal and CEO)
	Alison Hewitt	
	Graham Luccock	
	Jonathan O'Brien	
	Louise Richardson	
	Jeremy Woodside	
	Ayodele Oyebode	
<b>In Attendance:</b>	Barry Watson	(Corporation Secretary)
	Carmen Gonzalez-Eslava	(Deputy Principal)
	Michelle Leslie	(Vice Principal Corporate Services & Planning)
	Kal Kay	(Chief Finance Officer)
	Kelly Wright	(Assistant Principal Funding, Performance and Planning)
	Naomi Harrop	(Director of HR and Performance)
	Anthony Gribben-Lisle	(External Information Technology Consultant)

**Minute No:**

**RES/17/23      Apologies for Absence**

The Corporation Secretary (CS) reported that apologies for absence had been received from Jill Bottomley.

It was noted that the Deputy Corporation Secretary and the Director of Finance were not able to attend the meeting.

**RES/18/23      Declarations of Interest**

There were no declarations of either direct or indirect interest in any of the meeting's business items.

**RES/19/23      Minutes of the Meeting held on 8 February 2023**

The minutes of the meeting were approved and accepted as a correct account of the meeting's proceedings.

**RES/20/23      Matters arising from the Minutes**

The CS went through the pro forma actions arising from the minutes of the last meeting and it was agreed that all the matters arising had been completed or would be covered through the business items and/or were future actions.

There were no issues raised by members arising from the minutes.

**Minute No:****RES/21/23 Digital Strategy Mid-Year Update 2022/2023**

The External Information Technology Consultant (EITC) presented a report which provided the Committee with an update on each of the Digital Strategy commitments for the Academic Year 2022/23.

The report also provided an update on the commitments for the Academic Year 2021/2022 which had not been fully completed.

The EITC commented that this was the third year of the implementation of the Digital Strategy for 2021-2024 and that strong progress had been made on a number of key strands including infrastructure and core teams delivery but that there still remained a lot to be done particularly with regard to digital infrastructure within the curriculum.

The Vice Principal Corporate Services and Planning (VPCSP) commented that a clear direction of travel had been established with lots of progress however there were still key challenges in terms of delivery including securing the resources to deliver on the strategy and the alignment of the curriculum perspective with the digital infrastructure and removal of the current spikey profile.

In particular the report provided the Committee with Rag Rated progress and information within the following key aspects:

- Progress towards commitments for 2021/22 and 2022/23
- TLA Excellence Projects
- Distance Learning for NEET Young People
- Flexible Learning Opportunities for Adults
- Partnership working for the delivery of 'bite size' distance learning for Adults
- Developing the next Strategy Document

Members raised a number of issues arising from the report as follows:

- A member commented that the Action Plan for 2021/222 had not been fully evaluated and asked when Governors would see the results from the actions.

The EITC advised that the individual results of assessments had been evaluated and that a holistic approach was now needed to complete the evaluation. He advised discussions were taking place with relevant curricular leaders to establish how the Group measures digital performance within the curriculum.

**Action: External IT Consultant**

The Deputy Principal (DP) commented that further work on digital impact measures were required from initial student assessments to support the alignment of a digital entitlement which could be agreed with students. It was added that this was being reviewed in the light of Post Covid experience.

**Action: Deputy Principal**

- A member sought clarification about whether the progress regarding the target to reduce desk top PCs by 40% in terms of 14 classrooms being cleared of classrooms was a good or not so good achievement.

**Minute No:**

The EITC commented that the narrative was related to the measure of reducing devices campus by campus and that the effectiveness was measured and split between campuses.

He added that the progress was being made concerning the removal of fixed devices.

- A member asked about the Governor Link arrangements for Information Technology in the curriculum and what progress was being made to ensure that it was operational.

The CS advised of the good progress that had been made to date and that final a discussion needed to be undertaken with the Principal and Chief Executive Officer (PCEO) to confirm the link manager arrangements.

**Action: Corporation Secretary**

The PCEO commented that through the Operation Plan update the Digital Strategy had been flagged as a risk and that progress to date had been patchy and was in silo areas. He added that the link between all parts of the Digital Strategy needed working on particularly the link between MIS and the curriculum.

He further added that it was Amber Rag Rated and as yet no Digital entitlement for students had been established. With regard to the TLA Excellent Projects it was commented that they were in the right place, but aspirations needed clarifying and turned into delivery.

**Action: External IT Consultant**

- A member asked about the time frame for the next three-year strategy for the period 2024-2027.

The VPCSP commented that some thought was being given to this and the CS outlined the anticipated timeframes when initial proposals would be presented to the Board linked to the need for a new Strategic Plan for the same period.

It was further added that the Business Items Timetable for 2023/2024 would be presented to the Board of the Corporation on 17 May 2023 which should help clarify the proposed timetable of events.

**Action: Vice Principal Corporate Services and Planning/ Corporation Secretary**

**There were no further questions or comments raised by members and following due consideration and deliberation it was resolved that the Digital Strategy Mid-Year Update 2022/2023 update be noted.**

**RES/22/23****Employee Resources Update**

The Director of HR and Performance (DHRP) presented a report on Employee Resources as of April 2023.

**Minute No:**

The report covered the following key issues.

- **Staff Absence**

The DHRP advised that the Absence rates continued to place pressures upon staffing levels and budgets within the Group, with the average days lost per employee since 1st of August 2022 being 8.35(rolling) compared to 4.9(final) for the 2021-2022.

The DHRP commented that the end of year figure for average days lost should reduce when the full year figures are considered, as absence levels were traditionally higher during the winter months.

It was further advised that the current estimated cost of agency cover for absence was in the region of £250,000 and the DHRP provided detailed information relating to the Group's absence monitoring arrangements.

The report also provided members with details of the reasons for absence and the VPCSP commented that the Group would be highlighting and enforcing the importance of effective absence management going forward.

- **Staff Turnover (Attrition)**

The DHRP advised that for the period 1st August 2022 – 31st March 2023, 93 colleagues had left the Group which compared to 97 colleagues who left during the same period in the previous academic year.

It was further advised that of the 93, 23 of the leavers had less than 12 months service which equated to a total employee turnover rate on a rolling basis of 10%.

The main reasons given during exit interviews for leaving were also provided.

- **Talent Attraction**

The DHRP advised that recruitment continued to be a key focus for the organisation, with 23 active recruitment campaigns at the search and selection stages, and 48 new colleagues being onboarded.

The DHRP commented that significant progress had been named in this respect with up to 120 appointments made in the last 2 years.

It was further advised that resource planning for 2023-2024 was taking place to ensure that the Group had the right number of roles to deliver in respect of curriculum intent. The DHRP added that as a result of resource planning, it was anticipated that the Group would have in the region of a further 60 roles to resource.

- **Employment Tribunal Cases**

The DHRP advised that the Group currently had two active cases that had been raised in relation to employment tribunals which were being actively managed, and advice been sought from the Group's legal advisors.

**Minute No:**

Members raised a number of issues arising from the report as follows:

- A member commented that it would be helpful that when reporting the number of leavers, the staff that are on temporary contracts be identified in the data.

The DHRP agreed to include the information in future reports.

**Action: Director of HR and Performance**

The PCEO commented that an attrition rate of 10 % was quite high and that he would welcome the slicing of the data.

He further commented on the challenges that the Group was facing with regard to this in terms of pay for staff on the lower pay scales 3 and 4 who could earn a higher rate of pay by working in local supermarkets. He also commented around the impact on the merger with Cheadle and Marple Sixth Form College.

A member commented that this was a real problem across all sectors and that it was essential that good HR practices were undertaken and re- enforced at the Group.

- A member asked about the Groups robustness in respect of exit interviews and commented that there appeared to be a high number of “no reason” provided.

The DHRP advised that exit interviews were undertaken electronically with every leaving member of staff being provided with a link to complete the required information. It was further advised that there were no face-to-face interviews and non-completions were followed up via an email.

A member commented that in his organisation in order to address a similar problem a different more direct approach had been taken which was showing signs of success.

The DHRP undertook to consider the suggestions made and discuss with members of the HR Team and relevant managers.

**Action: Director of HR and Performance**

**There were no further questions or comments raised by members and following due consideration and deliberation it was resolved that the Employee Resources update be noted.**

**RES/23/23****Sustainability Action Plan Mid-Year Update 2022/2023**

The VPCSP presented a report which informed the Committee concerning the Mid-Year outcomes of the Sustainability Action Plan.

The VPCSP commented that really positive progress had been made in the plans first year across a wide number of areas across the Group and outlined some of the challenges that had been experienced in terms of collation of information in curricular areas and all the other Group’s functions.

**Minute No:**

The Mid-Year update covered the following key aspects:

- **Sustainable Curriculum**

The VPCSP advised that the priority area focused on course development in line with the successful SDF bid and student engagement and added that whilst staffing changes have created some temporary challenges in terms of being able to monitor curriculum activities against the strategy and annual plan, progress had been positive with the establishment of the “Green” technology hub.

It was further advised that the annual plan identified many examples of pro-active student engagement and enrichment activities including student representation at the Youth Climate Assembly.

- **Sustainable Estate**

It was advised that this priority area focused on energy efficiency, sustainable design, biodiversity, digital and establishing a ‘smart’ estate. The VPCSP commented that the achievement of the objectives against this strand would deliver the most positive impact towards achieving a net zero estate.

The VPCSP added that the key focus for this year would be to review and identify recommendations for sustainable improvements along with progressing building design, rather than completing projects.

It was advised that good progress was being made with the design for the Cheadle project and Stockport Phase 2 which had been designed to achieve BREEAM ‘excellent’ and that an M&E consultant was now supporting the Group to identify the most appropriate solution to replace the existing gas boilers.

It was also advised that there continued to be progress against Group’s digital sustainability objectives and that funding had now been secured to support the delivery of a ‘Smart’ estate with the installation of a BMS system and access control on the Stockport campus.

The position in respect the reduction in use of the smaller campuses was also advised.

- **Sustainable Operational Management**

It was advised that this priority area focused on operational management and the supply chain including waste management and transport. It was also advised that Phase 3 design works were progressing, and the tender process had commenced and is on track to implement a more effective waste management solution.

- **Leadership, Management and Partnerships**

It was advised that this priority looks at developing a sustainability framework, culture and community partnerships and that good progress had been achieved including the establishment of a committee, partnership working, promotional campaigns and active student engagement.

**Minute No:**

The VPCSP advised that a capital grant to support the Group's sustainability objectives had been received and that the priority would be to invest in the replacement of gas boilers with a more sustainable solution with continued roll-out of a single building management platform to support the delivery of a 'smart' estate.

Members raised a number of issues arising from the report as follows:

- A member commented that a number of the actions had been discussed in detail at the last meeting but commented that it was important to look at the movement between sites and the link with the Digital Strategy.
- A member asked about the engagement of a consultant with regard to the gas boilers and any other possible alternative solutions.

The VPCSP outlined the actions that were being taken in this respect and undertook to report against progress at the next meeting of the Sustainability Committee. It was confirmed that the Link Governor for Sustainability attend the Committee meeting.

**Action: Vice Principal Corporate Services**

**There were no further issues raised by members and after due discussion and consideration it was resolved that the Sustainability Mid-Year Action Plan 2022/2023 be noted.**

**RES/24/23****Management Accounts for the period ending 28 February 2023**

The Chief Finance Officer (CFO) referred members to the previously circulated Management Accounts for the period ending 28 February 2023.

The CFO provided the Committee with an overview of the key issues arising from the accounts which were as follows:

- All relevant numbers had been updated since the last report with an increase in income being evidenced particularly with regard to Community Learning which was showing an increase of between £0.5 and £0.75m. The CFO added that it was anticipated that through the Term 3 offer the gap between forecast and income would be significantly reduced.
- The under delivery of 300k for each of the ESFA and GMCE (AEB contracts) had been built into the forecasts.
- The income from Stockport MBC for High Needs Learners had been paid and received, which was very welcome news, and it was advised that management were endeavoring to increase the contract by between £100-£200k.
- The pay position was similar to the last set of accounts with no agreement in place regarding a pay award and all the pay controls as previously reported were still in place.
- The management pay controls regarding non pay as previously reported were still in place with significant reductions in the use of ad hoc staffing.

**Minute No:**

- Covenant and Financial Health Grade.

The CFO advised concerning the technical breach (not operating performance) of the covenant with Barclays Bank and reminded members it had been agreed with the Bank that a waiver would be issued and also how it would be treated from a going concern perspective which had been agreed with the Financial Statements and Regularity auditors.

In respect of the Financial Health Grade, it was advised that it was expected that it would remain Good for the current financial year as the improved Headroom position on EBITDA, the improved solvency ratio and the ability to pay down creditors had impacted on the grading.

The CFO added that it was good news that both the Capital Grant Fundings had now been received.

Members raised a number of issues arising from the report as follows:

- A member asked about the impact of the possible accrual of the pay award and how prudent was the current approach and how would any movements be managed.

The CFO advised that the current offer was a final offer and that there was no room for any movement on the offer as any increase was not affordable and would put the Group at significant financial risk.

The CFO reminded members that the Corporation receives no funding from the Government to fund pay awards and any increase has to be funded from its own resources.

The PCEO advised in detail of the current positions in terms of local negotiations with each of the accredited Trades Unions and also advised concerning the National picture in terms of the pressure that the Association of Colleges were seeking to apply to the Government in terms of the funding of colleges.

The PCEO further advised around the Treasury Departments view in terms of the funding for FE Corporations and that he was not expecting a much movement to be forthcoming.

- A member commented that it was important that the Group keep its headroom position going forward and in discussion it was agreed that the CFO be asked to provide a Key Financial Issues and Scenarios report for the Financial Forecasts and Draft Budget 2023/2024 at the next Confidential meeting of the Board of the Corporation.

**Action: Chief Finance Officer**

**There were no further issues raised by members and after due discussion and consideration it was recommended that the Management Accounts for the period ending 28 February 2023 be recommended to the Board of the Corporation for approval.**

**Action: Board of the Corporation**



**Minute No:****RES/25/23 Office for Students Capital Funding Update**

The CFO presented a report which summarised the activities that had been undertaken to date to support the effective use of the Capital Funding Grant (CFG).

There was confirmation that the report provided information relating to:

- The objectives of CFG.
- The planned expenditure for the CFG for the period up to 31/05/2025.
- Procurement activity to ensure value for money.
- Risk Management details.
- Office for Students monitoring arrangements.

Members were advised that the monitoring activity continued to ensure that the expenditure and management of the CFG aligned with the amount awarded and that the ultimate aim was to secure increased learner numbers and outcomes.

It was further advised that there were no significant issues or concerns for the Committee to be made aware of.

Members were advised that in respect of the HE Injection Fund Grant arising from an award of circa £300k capital and £100k revenue monitoring details would be provided in the next report.

**Action: Director of Finance**

In answer to a member's question concerning capitalization and revenue costs the CFO advised that they could only transfer between expenditures when there was explicit permission to do so.

**There were no further questions or issues raised by members arising from the report and following due consideration and discussion it was resolved that the report be noted.**

**RES/26/23 Fees Policy 2023-2024**

The CFO presented a report which made proposals for the Group's Fees Policy for the Academic Year 2023-2024.

The CFO advised that the only change to the previously approved Policy included additional information around Adult and Community Learning.

A member commented that the wording relating to Paragraph 3.6 of the Policy was not very clear and could be open to interpretation.

The CFO acknowledged the point and agreed to look at rewording the relevant paragraph.

**Action: Chief Finance Officer**

**There were no further issues raised by members and after due discussion and consideration it was resolved that, subject to agreed re wording of Paragraph 3.6 the Fees Policy for the Academic Year 2023-2024 be recommended to the Board of the Corporation for approval.**

**Minute No:****Action: Board of the Corporation****RES/27/23****Supply Chain and Fees Charging Policy 2023- 2024**

The CFO presented a report which made proposals for the Group's Supply Chain and Fees Charging Policy for the Academic Year 2023-2024.

The CFO advised that there were no major changes to the Policy approved by the Board of the Corporation for the Academic Year 2022-2023.

**There were no issues raised by members arising from the report and after due discussion and consideration it was resolved that the Supply Chain and Fees Charging Policy for the Academic Year 2023-2024 be recommended to the Board of the Corporation for approval.**

**Action: Board of the Corporation****RES/28/23****Subcontractor Procedure Review 2023**

The CFO presented a report which made proposals for the Group's Subcontractor Procedure Review and advised that the Governance section has been revised to take into account the requirements of the new auditing requirements as a result of the new subcontracting standards which were in place from the current Academic Year.

The CFO advised that in her view the Subcontractor Procedure (SP) was not a Policy and should therefore not require Governor approval. The CS outlined the historic reasons why the Procedure was reviewed by the Committee and recommended for Board approval.

**After due discussion and consideration, the Committee were of the view that the SP was an internal management document and should not therefore require Governor approval going forward.**

The CFO undertook to undertake the administrative action to implement the Resources Committee decision.

**Action: Chief Finance Officer****RES/29/23****Learner Numbers and Funding Update 2022-2023**

The Assistant Principal Funding, Performance and Planning (APFPP) presented a report which provided a summary update in relation to the current position concerning the recruitment of learners and its consequential impact on funding income.

The APFPP commented that the information matched the latest set of Management Accounts and provided a detailed overview of the position in relation to the following funding streams:

- **ESFA (Education and Skills Funding Agency) Funding -16 to 19 revenue funding**

**Minute No:**

It was advised that work continued to ensure that the maximum funding is secured, and that learners are placed within the highest band possible.

It was further advised that the Group had recently received the funding allocation for academic year 2023/2024 with overall funded student numbers being 5,241, with 247 allocated to T Level delivery and 4,994 for mainstream study programmes which equates to Core Programme funding of £29,782k. The APFPP commented that this was a significant difference in student numbers from the current allocation of -396 and that the financial impact of this (an increase in £488k overall) was mitigated by the increase in the national funding band rate.

It was noted that management would need to closely monitor recruitment numbers as T level income was liable to a 10% in year clawback after which learners would be moved into mainstream which attracted a lower band of funding.

The APFPP added that work continued with rigour to forecast the planned target numbers to support the allocation for the next academic year.

- **AEB Funding (ESFA and GMCA (Greater Manchester Combined Authority))**

The APFPP advised that the planned target for the full year was 7,650 enrolments and that currently the Group had 4,964 enrolments processed on the system which was an increase of 938 since the previous reporting period.

It was advised that work continued to take place to ensure all planned provision takes place as per schedule including additional courses under a partnership model with Code Nation, and other key sector areas, including ESOL and work in the Community.

- **Apprenticeships**

It was advised that Apprenticeship learners were actively recruiting, with 318 Apprentices being recorded within the system which was an increase of 91 since previous reporting period.

The APFPP advised that based on the current assumption, funding for new starts had been reduced, in line with feedback from Apprenticeship departments and that the difference in planned income was -£662k.

- **Higher Education**

The APFPP advised that Higher Education learners had significantly under recruited in Early Years, Engineering, Sport Studies, and Computing with a potential financial impact of - £545k.

It was advised that work is taking place to review the offer, and the alignment of curriculum offer for the next planning cycle.

- **Advanced Learner Loans**

**Minute No:**

It was advised that Advanced Learner Loan recruitment was currently under target with 204 enrolled learners compared to a target of 250.

The PCEO commented around the challenges of funding and that currently the Rag Rating was Red across virtually all significant income streams as evidenced in the report.

**There were no issues raised from members arising from the report and following due discussion and consideration it was resolved that the Learner Numbers and Funding update report be noted.**

**RES/30/23****Partner Subcontracting Activities Update 2022-2023**

The APPFP referred members to the previously circulated report and a summary update on the current position in relation to subcontracted provision across the Group.

The APPFP advised that there were no changes to report from the Committees last meeting and that and that work was currently on going to plan for next year's offer.

The CFO advised the Committee that the Audit Committee at its meeting on 24 April 2023 had considered the Financial Statements and Regularity Auditors report into their Assurance Review of the Group's Subcontracting provision.

The CFO was pleased to report that the report had been very positive, that all processes had been identified as being robust, were in compliance with ESFA standards and that a Green Rag rating had been graded across all elements of the Review.

The Committee welcomed the successful outcomes from the Review.

The PCEO provided the Committee with an overview of the Subcontracting Provision with Flixton Girls School (FGS) and intimated that the arrangements would more than likely change going forward. He also highlighted the Partnership position with Code Nation.

He advised that once the position with FGS had been clarified then full details would be reported to the Committee.

**Action: Principal and Chief Executive Officer**

- A member sought clarification for the provision for the students at FGS in the current Academic Year.

The PCEO advised that year 13 provision would continue as it is currently and advised on the potential arrangements going forward for year 12 provision. He reminded members of the position of the ESFA in this respect and that the Group still did not have permission to continue with the provision. He advised that the position would be made clearer by Summer 2023.

**There were no further issues raised from members arising from the report and following due discussion and consideration it was resolved that the summary update on the Partner Subcontracting Activities 2022/2023 be noted.**

**RES/31/23****Capital Expenditure -Intruder Alarm System – Confirmation of Approval**

**Minute No:**

The CS advised the Committee that a majority of Governors had confirmed the recommendation from the VPCSP in respect of the Capital Expenditure for the installation of an intruder alarm system by email and that the following resolution had therefore been approved:

- **That Johnson Controls be appointed to install the Metasys System for the Intruder Alarm System at a cost of £81,000 plus VAT.**
- **That Eclipse Digital Ltd be appointed to install Inner Range Integritti System for the Intruder Alarm at a cost of £41,325 plus VAT.**

It was advised that the VPCSP would undertake the administrative action to facilitate the resolution.

**Action: Vice Principal Corporate Services and Planning**

**There were no issues raised by members arising from the confirmation.**

**RES/32/23****Any Other Business**

The CFO advised the Committee that due to changes arising from the re classification of Colleges by the Department for Education and in order to comply with ESFA requirements in respect of the Management of Public Money it would be necessary to update the Group's Treasury Management Policy.

The CFO advised that the updated proposals and Policy would be presented to the Committee at its next meeting.

**Action: Chief Finance Officer**

**There were no issues raised by members arising from the update and it was resolved that it be noted.**

**There no other matters raised under any other business.**

**RES/33/23****Date of Next Meeting**

It was agreed that the next meeting of the Committee would be held at 5.30 pm on Wednesday 21 June 2023 in the Boardroom at the Altrincham Campus.

**Action: Corporation Secretary**

The meeting ended at 7.03pm.

Anthony Gribben- Lisle left the meeting at 5.56pm after the consideration of Agenda item 5.