



SOUTH EASTERN REGIONAL COLLEGE

Governing Body – Finance and General Purposes Committee

Minutes of the meeting of the Governing Body Finance and General Purposes Committee, held on
Tuesday 17th January 2023, 5.30pm, Lisburn Campus

<p>1.</p>	<p>Chair’s Business</p> <p>a) Attendance and Apologies:</p> <p>Present: Mr A. Corbett, Mr G Hetherington, Mr A. McCrum, Mr D. Wilson, Mr M McQuillan via Teams (items 3a-8, excluding 4c), Mr K Webb (Principal & Chief Executive), Ms. M Corrigan, Mr. J Nugent (Chair of the Governing Body)</p> <p>In attendance: Mr T. Martin (Chief Finance Officer), ‘CFO’, Mr P. Smyth (Chief Human Resources Officer) ‘CHRO’, Mrs. C Williamson (Secretary to the Governing Body), Mr John Gault (Head of Health and Safety) Item 4c only</p> <p>Apologies: Dr Danny McConnell</p> <p>In the Chair: Mr A. McCrum</p> <p>b) Conflicts of Interest:</p> <p>The Chair asked if any members wished to declare any known or perceived conflict of interests in respect of any item on the agenda. No conflicts were declared.</p> <p>c) Minutes of the meeting held on 8th November 2022:</p> <p>The Chair asked members to review the minutes from the previous meeting on 8th November 2022. Members agreed the presented minutes were a true and accurate record of the meeting.</p> <p>Proposer: Derek Wilson</p> <p>Seconder: Andrew Corbett</p> <p>d) FGP Action Points and Key Decisions from meeting on 8th November 2022:</p>
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	<p>The Chair noted that the CHRO had provided a report on the impact of mental health first aiders to complete an action point from the September meeting, he advised members he would take this under agenda 4. The CFO confirmed that the work on PPP costs is an ongoing piece of work, and he would present a further report to the committee at their next meeting.</p>
<p>2. Correspon dence</p>	<p>a) Final Budget Allocation 8th December 2022/6 January 2023</p> <p>The CFO advised members that the most recent Budget update received on 6th January 2023 confirms that the College has been allocated an additional £313k that has therefore reduced the expected pressure at end of March from £406k in December to £98k. The CFO advised that £45k of this pressure is a technical accounting item relating to leases and that the remaining £48k relates to the funding of the traineeships. In summary the CFO advised the committee that 22/23 performance, although tight, looks largely on track.</p> <p>b) CEF Circular (enc)</p> <p>The CHRO asked members to note the enclosed correspondence that confirms the non-teaching staff pay award that was paid into December salaries.</p>
<p>3.</p>	<p>Finance Items for Information:</p> <p><i>At this juncture Michael McQuillan joined the meeting.</i></p> <p>a) Financial Governance Report</p> <p>The Chief Finance officer directed members to the report and advised that at the time it was produced confirmation from the Department had not been received on the additional funding of £313k (as discussed under agenda item 2), therefore it talks about a pressure of £406k however the pay pressure within this has now been funded.</p> <p>The CFO advised that up to the end of March the pressure is mainly around the funding of the traineeships. In summary, the Department has reduced funding pro rata based on actual versus expected enrolments rather than in line with delivery hours and therefore the actual costs of delivery. This has created a pressure across the sector and is currently being discussed at the sector/Department implementation group.</p>

Moving on the CFO confirmed that, in terms of the July year end, the planned spend is lower than currently allocated funding. He pointed out that the period from April to July is, at this stage, covered by a “notional” allocation only and that there is a very real risk actual funding, once confirmed, will not match this. In the absence of guaranteed funding, the College has in place a spend moratorium on any unnecessary spending across the College.

In response to a query from members on whether the College have challenged the Department over the funding of traineeships the CFO confirmed that both the Principal and the CFO sit on the sector group for traineeship implementation and discussions have been ongoing to highlight that the funding basis is not fit for purpose.

b) NDPB Budgeting and Forecasting Submission

Members were asked to note the enclosed submission for information.

c) Finance Operational Report

The CFO presented the written report to members, members noted the debt levels and the CFO highlighted that there are no concerns over the present level.

In updating the committee on procurement, the CFO advised that the College has undertaken work on behalf of the sector to procure items for cold weather packs for students. The CFO explained that additional funding of £390k had been allocated to the Sector and this has enabled the Student’s Union to put packs together for students that include hygiene items and warm winter clothing, which is an enormous help to students during the cost of living crisis. The Chair commented that it is good to see practical support delivered at such a critical time.

In concluding the report, the CFO highlighted that supplier payment days continue to improve with the average payment day now at 19.5.

d) Estates & Capital Expenditure Report

On the invitation of the Chair the CFO presented an overview of the main points within the Estates report, he highlighted the following in summary:

- The annual reconciliation of ANoC’s and CNoC’s has been compiled.

- Recurrent funded projects are ready to instruct should funding become available.
- DfE capital funding for 2022/23 has increased to £2,409,800.
- Overall energy consumption for November 2022, compared to that a year previous has decreased but costs have increased. The year-to-date comparator (Aug 2022 – Nov 2022) when compared to a year previous has seen a small increase in consumption but a substantial increase in costs.
- Capital projects using the PSC / TSC frameworks are progressing satisfactorily.

The Chair of the GB enquired if there is any possibility of getting additional capital funding, the CFO confirmed there is, however, the College would not have time to do anything with it as it is time limited until end of March. As an example of the short lead time surrounding some funding “pots”, the Principal highlighted that there is currently £750k ESOL funding available specifically for Ukrainian refugees, however the Sector have only been advised of it this week and it needs to be spent by the end of March giving no time to put any appropriate plan in place.

In discussing the PPP reconciliation the CFO emphasized to members that there are two separate contracts and that this exercise is about offsetting any increased specification within them to ensure the overall unitary charge doesn't increase in relation to increased specification. The Chair enquired if this information was elevated to the Department as it would be useful longer term, the CFO advised that the College do try to ensure there is an understanding of the implications of these contracts, for example in the 23/24 budget return with a highlighting of £555k additional estates costs as a result of annual RPI increases in the PPP contracts, Following further discussion on the true costs of the PPP contracts, the Chair requested that this was all put in writing and sent to the Department as it is an acutely critical issue in understanding our base costs and he highlighted the importance of it in relation to the recent Tribal review.

Action: The CFO agreed to write to the Department highlighting the full cost of the PPP contracts and their importance in relation to the accuracy of the benchmarking in the recent Tribal review

e) Potential Impact of Coronavirus on College Finances

The CFO advised that there is nothing to currently report on Coronavirus in terms of the College finances and the Covid risk had been down graded from the strategic risk register.

4. Staffing Items for Information:

At this juncture the CHRO presented an overview on the impact mental health first aiders have in the College as requested by members at the previous meeting.

He began by highlighting the trends and referral numbers since the introduction of the service in 2018/19 to present, there has been a 57% increase in staff using the service and 88% for students. The CHRO added that the biggest challenge at the outset of this programme was working on cultural change and normalizing the conversation around mental health in the workplace. Mental health does however remain the number one reason for staff absence despite the uptake in numbers.

The CHRO advised that the team are working through the review on how the service is structured and how a joint approach with the student side can be put into practice. He concluded the update by highlighting that the service is having a positive impact on the organisation in that staff are coming forward to seek support. The Chair commended the College for the service provided and added that when an issue is highlighted it can only attract more interest.

a) HR Priorities 2022/2023 plan and status updates/HR Key Metrics Report

The CHRO presented an update on the priorities and highlighted to the committee that it is still relatively early in the new year. Members noted that objective 2 which refers to terms and conditions for academic staff is red and will remain so, the CHRO advised that there will be no real transformation until the FE review has been completed and so the timescale is unlikely to be met this year. The CHRO added that progress is being made on hybrid working and all other objectives are on target.

Moving onto the key metrics report the CHRO highlighted that the absence figures are significantly higher than normal for this time of year, largely due to long-term sickness with significant number of staff on half pay, the College is continuing with the agreed processes to get staff back to work if they can. In response to a query from the Chair the CHRO advised that other Colleges are also reporting higher than usual absence levels, while this is the peak time of the year for absence levels, he reiterated that 5% is very high for the College and most are attributed to serious long-term conditions.

b) Employee Relations Update

The CHRO directed members to the written report and advised there had been no substantive changes to the report since the previous meeting.

c) Health Care Scheme

The CHRO moved onto present an overview of the employee healthcare scheme and he directed members to the written report provided, he advised members that the scheme was first introduced to help employees get back to work by accessing health services, at the time the main reason for absence was musculoskeletal issues and the scheme helped people to access scans etc. quicker.

Members noted that the scheme costs £1 per week per employee and the feedback from staff is extremely positive, the CHRO added that the scheme is well embedded in the organisation and staff use the range of benefits on offer to them. The scheme is promoted when recruiting new staff as part of the overall reward package on offer to employees.

The current scheme has reached the end of its contractual term and is currently out for re-tender. Mental health resources and services will continue to be the focus of the scheme which will be promoted in conjunction with other support services available, to ensure the scheme is used to its full potential and that mental health and other healthcare needs are supported.

d) Mandatory Training Report

The CHRO presented a report to members on mandatory staff training. He advised the report sets out how mandatory essential training is identified and rolled out, how its managed and controlled. In a brief discussion the Chair of the Governing Body noted that as estates was not included in the report and is a high-risk area. He suggested that mandatory critical high risks areas should be on the learning engine, so when it comes to annual report it's all on one system. The CHRO advised that it is the plan to have one platform and there is a long-term objective for the HR sectoral project.

The CFO highlighted that collaboration across the sector on new systems has slowed development of our own Learning Engine, in particular the standardization piece across sector has delayed the development of internal systems.

Action: The Chair asked the CHRO to provide an update on mandatory training to the committee annually in January and June

Action: The CHRO agreed to reflect on the structure of training and if all modules can be included on the Learning Engine

e) Staff Survey Update

The Chair advised members that he would like to move this item to the next meeting when the results of the staff focus groups would be available and therefore enable a more robust discussion.

f) Annual Health and Safety Presentation

The Head of Health and Safety presented an overview of the activity within the department included statistics of the number of incidents, claims, post Covid response and how internal audits are conducted to ensure that the highest standards are maintained across the College.

In a Q&A session following the presentation the Chair of the Governing Body enquired how estates and health and safety work together as an integrated health and safety management system. The CHRO advised that the departments work closely together, and estates have a key role in supporting the Head of Health and Safety. He added that there are health and safety committees for each campus at which there is representation of both departments at each, the CHRO and Head of H&S attend all meetings and that provides integration across the college.

In a further discussion with the Chair of the Governing the Body the Head of Health and Safety noted that near misses should be included in the incident log and will do so going forward, he explained that when undertaking risk assessment monitoring he is satisfied that they are up to date but noted that there are always improvements that can be made with health and safety.

The Chair enquired if the quality assurance system will be implemented and the CHRO advised that the College is seeking to procure external expertise to assist in the exercise and it should be finalized in the next few weeks.

The Chair thanked the Head of Health and Safety for a fulsome report and noted that his passion for the subject is evident.

	<p><i>At this juncture the Head of Health and Safety left the meeting.</i></p> <p>Action: Near misses will be properly actioned and recorded going forward</p> <p>g) Potential Impact of Coronavirus on Staffing The CHRO advised members there was nothing to note in respect of coronavirus.</p>
5.	<p>Applications and Enrolments</p> <p>The Principal directed members to the written report provided and took it as read.</p>
6.	<p>Policy Review</p> <p>a) Intellectual Property Policy</p> <p>b) Estates Policy</p> <p>The CFO advised that the relevant policies had been reviewed and there are no substantive changes for review.</p> <p>c) HR Policy Review Program</p> <p>The CHRO advised that the HR policies had been reviewed and there are no substantive changes for review.</p>
7.	<p>Any other business</p> <p>No other business was discussed.</p>
8.	<p>Confidential</p> <p>A separate note was taken for this item.</p>
	<p>Date of next meeting</p> <p>The next meeting date was confirmed for Tuesday 18th April 2023, 5.30pm, Lisburn Campus</p>

With no other business being discussed the meeting closed at 7.42pm