

Colchester Institute Corporation

*Minutes of a Meeting of the Resources Committee  
held on 17<sup>th</sup> April 2018  
at the Sheepen Road Campus*

**Present:**

Richard Wainwright, *in the Chair*  
Alison Andreas

Brenda Baker  
Christopher Bridge

**In attendance:**

Gary Horne                      Executive Vice Principal: Finance and Corporate Development  
Shaun McConnell              Executive Director: Human Resources  
Hazel Paton                      Clerk to the Governors

Apologies for absence were received from Mark Davies and Ian Thurgood

**1. Declarations of any conflicts of interest**

None.

**2. Minutes**

The minutes of the meeting held on 6<sup>th</sup> February 2018 (CIC/RC/18/2/1) were received and confirmed. The Chair signed the minute book.

**3. Matters arising from the minutes**

None, other than on the agenda.

**4. Chair's Action**

It was reported that the Corporation Chair had approved:

- 4.1. A 17 year deficiency repayment schedule for the Local Government Pension Scheme.
- 4.2. A short term cash-loan for the period 1<sup>st</sup> to 20<sup>th</sup> April 2018 when the College's FE funding was received. The loan was secured against the College's assured HE income due May 2018.
- 4.3. Purchase orders in respect of GCSE examinations and national non-domestic rates for the Sheepen Road Campus (the College's Financial Regulations and Associated Procedures require any single purchase order in excess of £75,000 to be approved by the Chairman of the Resources Committee or the Chairman or Vice Chairman of the Board).

It was reported that the Corporation Chair had signed:

- 4.4. The Grant Agreements for the Centre for Health and Development at Colchester and the STEM Innovation Centre at Braintree. The College is currently tendering for the main contractors.
- 4.5. The contract for the sale of land at the Braintree campus.

**5. Management Report February 2018**

CIC/RC/18/2/2, Management Report and Accounts February 2018 (Period 7), was received and noted. It was reported that there was an improvement in the operating position of £240k in the month, and the year to date operating surplus position was £939k ahead of the budget position. This was driven by an increase in income ahead of budget of £439k and savings on expenditure.

Governors' attention was drawn to an additional schedule in the Management Report showing how the College was performing in terms of financial health and the three key ratios. It was noted that the College is continuing the recovery process, and this has been acknowledged by the Education and Skills Funding Agency (ESFA).

Governors noted that planned activity within Creative Arts and Health and Social Care had not taken place and asked the reasons for this. It was reported that as part of the budget setting process the Faculty and Business Development Managers had put forward proposals to deliver a range of full cost courses both at the Minorities and the Sheepen Road Campus which had not been taken forward due to lack of resources. In other cases Managers left as a result of a restructuring and the decision was taken that it was not worthwhile delivering the courses. Although the College has not received the income, it has not incurred the expenditure either. Planned delivery through Colchester Institute Business Solutions (CIBS) works well, but is generally not as successful when other areas of the College are asked to put on commercial programmes and the decision has been taken that it is better for Faculty staff to focus on mainstream provision in future. It was reported that next year full cost work will be aligned to actual delivery in 2017-18.

It was reported that the College's solicitors had negotiated a settlement in respect of dilapidations at Cooper Drive, Braintree which was signed off by the College in early March 2018.

In response to a question it was reported that there is still no decision in respect of the Lennartz appeal. Governors asked whether VAT was payable in respect of the new buildings. It is the College's understanding that the concessions made by HMRC during the court hearing in respect of the argument on business versus non-business use means that the College will have to pay VAT on the new buildings. This will be better for the College going forward on a revenue basis. The only risk to the College if it loses the Tribunal appeal is if it is asked to pay the cost of HMRC's legal team.

Governors asked for an update on the Brockenhurst claim. The Executive Vice Principal: Finance and Corporate Development reported that he had received a letter earlier that day asking for information on how the College's Brockenhurst claim has been developed.

The difficulties in recruiting to some areas of the College, and the pressures this puts on other staff, were discussed. It was reported that since the last meeting the College has exercised the right to pay new members of staff a skills supplement. To date this has only been used in the area of plumbing and has had a positive impact on recruitment. Essex County Council is investigating a bid on behalf of FEDEC (Federation of Essex Colleges) to the Essex Employment and Skills Board for some funding for all Essex colleges for recruitment (golden hellos). The Director of STEM Innovation has also identified a route for funding for teacher training when recruiting in certain industries. Arising from the discussion it was noted that initiatives such as golden hellos and skills supplement are not available for business support staff and areas such as Finance, Facilities and student Services are now below their FTE staffing budget. The Director of Human Resources reported that advertising and recruitment materials are being refreshed to be modern in design and to highlight the benefits of working for the College. The refreshes were targeted at the STEM areas but will now be brought into the business support roles.

Governors asked for an updated on apprenticeship recruitment and were advised that the College had recruited 517 apprentices as at 13 April against a target of 529 by the end of April.

## 6. ESFA

### 6.1. Financial Case Conference Notes

CIC/RC/18/2/3, minutes of the Financial Health Case Conference held on 12<sup>th</sup> March 2018, was received and noted. The meeting had focused on apprenticeships recruitment, the Local Government Pension Scheme, Lennartz appeal, and the January 2018 Management Report and Accounts. The date of the next meeting has yet to be agreed.

### 6.2. College Finance Dashboard

CIC/RC/18/2/4, Finance Dashboard March 2018, was received and considered. The dashboard is produced annually shortly after the financial statements are returned to the ESFA, and gives

a high level overview of the College's financial performance against a number of criteria. Governors were pleased to note an improving picture in most areas.

## 7. **LGPS – Request for Security**

CIC/RC/18/2/5, Local Government Pension Scheme Position Paper, was received and considered. It was agreed at the previous meeting of this Committee to ask the College Executive to look at the potential of the security option. After discussion the Bank had agreed to an 'inter-credit' agreement, subject to costs. However, informal discussions with the College's retained surveyor suggested that it would be difficult to achieve the required valuation on the Sheepen Road campus. The Executive Vice Principal: Finance and Corporate Development was able to negotiate a deficit repayment period of 17 years (previously 15 years) without the need for the security, which it was felt was the best option and the least risk approach. The Corporation Chair and the Chair of this Committee had approved the 17 year deficiency repayment schedule. This was supported by the Committee.

## 8. **Property Issues**

### 8.1. **Braintree Campus Masterplan including LGF Project 'STEM Innovation Campus'**

The Executive Vice Principal: Finance and Corporate Development presented the proposed plans for the new STEM building and Motor Vehicle Workshop at The College at Braintree. The proposed location to the rear of the campus is the least risk approach, avoiding the major sewer which runs across the plot of land. The current design is for three workshops and facilities on the ground floor and IT and standard classrooms on the first floor. Some classrooms will have retractable walls which can be taken away to make larger rooms for examinations.

Governors asked about planning, and were advised that the application will need to be submitted in May/June; the Council will then have 13 weeks in which to make a decision. The Corporate Director at the Council has agreed to a telephone conversation between the College and a senior planning officer ahead of submitting the planning application. The proposal is in keeping with the site and addresses the issues which prevented an earlier planning proposal going through. The proposal provides for 140 car parking spaces compared to the current 223 spaces, and the College will need to look at how it can redesign the car parking to increase the number of spaces.

Governors asked about making an area of the land wildlife friendly and were advised that there is already a conservation area at the campus which will be better managed going forward.

It was reported that some alterations would need to be made to the STEM 1 building over the summer. Work will include reconfiguring the ground floor to house reception and the learning resources centre, provide a through-route through the building and DDA facilities and toilets near the main entrance. The gym will be relocated to another part of A Block.

### 8.2. **Colchester Campus LGF Project 'Centre for Health and Development'**

The Executive Vice Principal: Finance and Corporate Development presented the latest design for the additional floor on South Wing. The proposal includes a link bridge to C Block, and as part of the project the multi gym facility will be upgraded. Work will not need to start until April/May 2019, with completion December 2019. The College is moving forward with the tender for the main contractors at Sheepen Road and Braintree so that they can help with the design. Contractor presentations are scheduled for 26 April for Sheepen Road and 11 May for Braintree.

Governors asked about the impact on current students of the work on South Wing and were advised that the majority of the noisy activity would start in June 2019 and be completed over the summer.

The Principal reported that she would be holding breakfast meetings with stakeholders over the next couple of weeks to talk in more detail about the resources that will be going into the new facility to ensure that it provides what they most need.

### 8.3. **Clacton Campus Project Update**

The Principal shared with Governors a presentation that had been given to members of Tendring District Council in respect of the College's plans for possible improvements at Harwich and Clacton. Council members were interested in the College's proposals for more of a construction and employment skills centre focus at Clacton. The presentation included data from the Essex Employment and Skills Board, the number of people employed in construction and the future trajectory, the challenges and opportunities to upskill local people to fill the roles needed by local employers. The proposal is to give the campus at Clacton a new identity of The College of Construction and Employment Skills. The provision being scoped, withdrawn and maintained was noted.

Plans for reconfiguring the Clacton campus include adapting the top floor so the College can introduce kitchen fitting, which is an area where there is significant demand.

The College has a three year plan to generate more numbers into the Clacton campus and the indicative timetable was noted. Governors asked about competitors and were advised that there were no other providers of this kind of vocational training in the area.

The opportunities for the College in Harwich were discussed. The College is assisting Tendring District Council in developing a bid to the Coastal Communities Fund for £1m Government funding on an innovation centre in Harwich adjacent to Hamilton House.

### 9. **HR Plan 2016-17 – Update on Progress**

CIC/RC/18/2/6, Report on progress against the HR Plan, was received and presented by the Executive Director: Human Resources. It was an ambitious plan and progress has been mixed. Governors asked how the HR Strategy was progressing and were advised that the aim is to bring the Strategy to the July Board meeting for approval. Ahead of that, the Supervisors and Managers that will be instrumental in delivering the Strategy will be consulted on the content. Some of the things in the draft Strategy are already being implemented.

It was reported that a new staff survey would be launched in the next month. The raw data will be available within two weeks of the survey closing and should be available in a format to feedback to all staff within four to six weeks.

Governors noted that there had been some slippage in the plan due to resources and capacity constraints, and asked for future reports to include new projected target dates for implementation of the plan.

### 10. **Sickness Absence Report**

CIC/RC/18/2/7, Sickness Absence Report, was received and presented by the Executive Director: Human Resources. The most recent available comparative data from the CIPD is 2016 and AoC 2017; the next comparative reports are due to be published in May 2018. After discussion it was agreed to add the comparative data to the KPIs in the Monthly Management Report when available.

It was noted that sickness absence has increased compared to the previous year. Anecdotally this may be due to better reporting of sickness absence following the roll out of the new sickness absence policy. It was reported that there has been a surge in the number of days absence due to post-operative recovery compared to last year which accounts for much of the increased absence rate. Further analysis is required to identify whether this is a trend and whether there are areas where the College can consider more active support.

It was noted that the percentage of total sickness days due to stress, depression and mental health is down compared to previous years.

Other actions underway to assist with sickness absence management include production of a Staff Wellbeing Policy to spearhead further organisational action and a continuation to manage cases with the HR Team.

Governors were asked how frequently they would like to receive reports on sickness absence. After discussion it was agreed to include sickness absence in the KPIs that are reported on in the Monthly Management Report (MMR). It was noted that Schedule 7 of the MMR has already been expanded to include KPIs recommended by the FE Commissioner, such as completion of PDRs, and this can be developed to include additional HR KPIs.

**11. Draft Wellbeing Policy**

CIC/RC/18/2/8, Draft Staff Wellbeing Policy, was received and discussed.

Governors noted that the PDR process is mentioned several times as an important part of the wellbeing process but the target for the completion of PDRs was not achieved last year. Governors also observed that draft policy includes a lot of guidance on what Managers should be doing in relation to staff wellbeing and asked what training they had received in respect of this. It was confirmed that managers would receive training and the summer staff development programme will include sessions on this policy. The timing of the launch of the policy was discussed and Governors expressed a view that it is better to introduce the policy at a time when staff are most likely to be receptive rather than to a deadline. The outcomes of the staff survey can inform this.

Members agreed to feedback any further comments on the draft Policy to the Executive Director: Human Resources outside the meeting.

The Executive Director: Human Resources was thanked for his work in putting together the draft policy.

**12. Gender Pay Gap Reporting**

CIC/RC/18/2/9, Colchester Institute Gender Pay Reporting Statement 2017, was received and noted. The gender pay gap shows the difference in the average earnings between all men and women in the College. It does not change the fundamental position that Colchester Institute is an equal pay provider.

**13. Date of next meeting**

Tuesday, 12<sup>th</sup> July 2018 at 4.30pm

**14. Any Other Urgent Business**

**14.1. GDPR**

A Governor asked how the College was preparing for the introduction of the General Data Protection Regulation (GDPR). It was reported that the Executive Vice Principal: Finance and Corporate Development was leading the project. The Clerk to the Governors has been appointed as Data Protection Officer, and College Management Group managers have an action plan to make sure that they are compliant. The Internal Audit Service will be carrying out a five day readiness audit during week commencing 23<sup>rd</sup> April and will report its findings to the Audit and Compliance Committee.

**PART II – These minutes are not confidential but the supporting papers are confidential**

**15. Minutes**

The Part II minutes of the meeting held on 6th February 2018 (CIC/RC/18/2/10) were received and confirmed. The Chair signed the minute book.