

THE FURTHER EDUCATION CORPORATION OF MIDDLESBROUGH COLLEGE

Confirmed Minutes of Corporate Services Committee Meeting of 9 December 2019

PRESENT: P Studd (CG and Chair), A Allen (CG), H Ashton (CG), R Davies (CG), S Mirsalehi (CG), Z Lewis (Principal/Chief Exec), A Waller-Amos (Staff Governor), S Wilson (EM).

OFFICERS: Z Foster (Clerk) C Kipling (VP), A Stephenson (Dir), K Parkinson (Dir), A Wond (Exec. Dir).

Key: CG – College Governor, EM – External Member, VP – Vice Principal, Dir – Director of HR, Exec. Dir – Executive Director.

P Studd, as the new Chair of the Corporate Services Committee, welcomed Kelly Parkinson, the new Head of People, and introductions were made.

1. Apologies for Absence – T Parkinson and J Steel.

2. Declarations of Interest

H Ashton had an ongoing interest as she was on the Board of NCFE.

3. Confidential Minutes of Meeting of 04.07.2019– approved and signed as a correct record.

4. Matters Arising – all complete. No further questions.

5. Strategic Overview

5.1 Principal/Chief Executive's Update – Z Lewis

Z Lewis gave a comprehensive presentation focussing on: the solid good Financial Health situation and of the spending review announcements (which have been incorporated into the revised plan); quality and the need to improve staff security, terms and retention; the student body – attendance and future investments in relation to mental health and wellbeing; getting Apprenticeships back to good.

She also drew attention to T Level initiatives; IoT (January sign off more likely now) and increased demographics going forward over next ten years alongside strong applications and enrolment which may result in 1000 more students going forward and accommodation needs in the future; increased funding.

The new plan was highlighted including the opportunities and risks. Details were given on how the extra funds could be spent which had been considered in depth by SLT and focused on: investment in current staff (pay award); new staff; capital investment.

All of the above were considered prior to consideration of the TTE bid.

Governors' questions and discussion included: whether the DfE were funding the full grant amount for IoT; and future pensions support from DfE.

6. IoT Update – C Kipling

C Kipling gave a full overview highlighting that there was a delay in the formal sign off from the DfE, but that the College was ready to open with Tendering plan once this was finalized.

The Committee discussed: elements of risk; when the IoT could be realised (some time in 2020-21); tendering for work; that the full grant amount had not been absolutely confirmed; car park service diversion; future proofing; and HE social space difficulty.

7. Finance Matters 2018-2019

7.1 Financial Statements 2018-2019– C Kipling

7.1.1 Northern Skills Group Business Services Ltd

7.1.2 Northern Apprenticeship Company Limited

7.1.3 Middlesbrough College

The Financial Statements were presented and discussed. There were some final additions to come from the auditors but the figures were now fixed. The statements had been to Audit and Risk on 6 December 2019.

The Committee asked for some minor changes to wording within the Northern Skills Group accounts to better reflect its status. Action by C Kipling to incorporate these changes.

The Committee **agreed** to recommend the 2018 / 2019 Financial Statements (7.1.1-7.1.3) for approval by the Governing Body at its meeting on the 16 December 2019, prior to them being signed and returned to the Skills Funding Agency before the 31 December 2019 deadline.

7.2 Bank Loan Update and Treasury Management Annual Report – C Kipling

The Corporate Services Committee discussed the interest rate product options and considered the management recommendation to continue to float in detail, including setting a trigger on market rates to future proof the strategy.

The Corporate Services Committee **approved** the 2018 / 2019 Treasury Management Annual Report and **agreed** to continue to float in the current climate.

7.3 Pay Award 2019-2020 – Z Lewis and C Kipling

Z Lewis and C Kipling detailed the rationale for the proposed agreement.

Governors' discussed this fully and were in support of the agreement particularly in relation to staff retention, morale, fairness and future planning (including recruitment and retention). However, they **agreed** to re-consider this after the special meeting taking place after the ordinary Committee meeting.

After detailed consideration of the College's financial position and after further consideration post the Special meeting, the Corporate Services Committee agreed to recommend to the Governing Body at its meeting on 16 December 2019 the following for all staff:

- All staff receive an inflationary rise from January 2020 of 1% or £250 whichever is greater.
- All staff receive an inflationary rise from January 2021 and from January 2022 of 3% each year - subject to the spending review announcements being honoured and enrolment being as per revised financial plan.
- All staff holding an NSG Contract of Employment to receive the same comparable annual leave as those colleagues on Middlesbrough College Contract of Employment, with effect from 1 January 2020.
 - NSG Support Staff / Training Advisors 30 days
 - NSG Skills Development Managers 30 days
 - NSG Senior Managers 36 days

7.4 Bad Debts – C Kipling

C Kipling detailed four individual debts which totaled £10,917.

After a full report and consideration, it was **agreed** to propose for approval by the Governing Body at its meeting on 16 December 2019, the recommendation that the **bad debt of £10,917** for 2018/2019 be written off.

It was also **agreed** to take off names of people involved in any future reporting (initials only).

7.5 Student Union Activity – C Kipling

The Corporate Services Committee received this report and discussed to Totum SU cards which were now available to staff.

The Committee **agreed** to recommend that the 2018 / 2019 Student Union Activity be approved by the Governing Body.

7.6 Financial Regulations Annual Update – C Kipling

After due consideration, the Committee **endorsed** the changes outlined by C Kipling.

7.7 Overseas Trips – C Kipling

The report was received for information. It was confirmed that there was very little activity in this area within the College.

7.8 Education and Skills Financial Assessment – C Kipling

Confirmation of 'good' grading by ESFA and financial dashboards were considered by the Committee.

7.9 Management Accounts (October 2019) – C Kipling

The Management Accounts were received and it was **agreed** that they would form part of the Governing Body's papers for 16 December 2019.

7.10 Revised 5 Year Financial Plan – C Kipling

The revised 5 Year Financial Plan had been presented in detail within 5.1. Changes in reporting going forward were given by C Kipling which included a revised plan to be submitted in February.

Discussion included: accuracy of forecasting within the changes; future review of the Financial Health regime; risk; capital budget capacity and flexibilities (including leasing); and local planned changes and their possible impact.

After consideration and discussion, the Corporate Services Committee **approved:**

- the revised financial plan for submission to the ESFA in accordance with their revised reporting regime – albeit acknowledging a special meeting may be required in the new year to update the plan should the acquisition of TTE be successful.
- to delegate authority to the Chair of Corporation Services and Chair of the Governing Body to authorise the formal submission to the ESFA due by 28 February 2020.

7.11 Subcontractors ESFA Declaration – C Kipling

The Committee received this report. C Kipling reminded the Committee that this had been through a successful audit in July. She also updated the Committee on the new regime from the ESFA and of formal requirements therein.

8. Human Resources and Workforce Development

8.1 People Strategy – A Stephenson/K Parkinson

The People Strategy and attached Dashboard were considered in some detail and some suggestions made to include in the final document by K Parkinson. Governors also discussed staff benefits and the link to gender pay gaps

The key measures were **agreed** and the final strategy document would come back to the Committee in March 2020.

8.2 Gender Pay Gap Report 2019 – A Stephenson

Key points outlined and discussed included: the reduction of the gender pay gap percentage to 8.26% from 13% in July and the reasons behind this; the positive effect of future regradings; the gap on Apprenticeships; monitoring of applications; and the future considerations of disability pay gap.

The Committee **agreed** the report and the final version would come again with the HR Strategy at the March meeting.

8.3 Workforce Development Report 2018-2019 – Z Lewis

The report was received and considered by the Committee.

9. IT and Estates - A Wond

9.1 IT and Estates Update

A full update was given by A Wond including: reminder of the delay in release of full capital funding and reasoning; electricity increased; security changes in light of DfE guidance and fire stop work.

9.2 FM Strategy

This was presented in full and governors discussed the five year objectives including: forward planning; maintenance update and life cycle planning.

A Wond welcomed any feedback from the Committee.

Governors gave their **approval** to the strategy document.

9.3 Cleaning Contract

After due consideration and questions the Corporate Services Committee **approved** the award of the general cleaning contract for the next three years to Churchill Contract Service Ltd.

10. Recruitment, Admissions and Sales Update – C Kipling and A Waller-Amos

A full report was given in relation to applications and enrolment. A Waller- Amos informed the Committee of big campaigns for January 2020.

11. Date of Next Meetings – P Studd

11.1 Friday 13th March 2020 at 2pm

11.2 Monday 6th July 2020 at 2pm

12. Any other Urgent Business

- a) **Leaving Members** – P Studd informed the Committee that this was the last meeting for members A Waller Amos and A Allen. Additionally, it was also the final meeting for A Stephenson. He thanked them all for their contribution, on behalf of the Committee, and wished them well in the future.

The meeting ended at 4.15pm

The meeting was followed by a Special Meeting of the Corporate Services Committee of which there is a separate confidential minute.