

Present: Matthew Adams (Chair), Paul Cumming, Angela Davis, Phil Douce, Toby Hooper, Sam Lifford, Ed Senior and Gill Slater.

In Attendance: Ruth Scotson (Deputy Principal), Sallyanne Griffiths (Heart of Mercia Finance Director), Jo Payne (PA to the Principal/Clerk to the Local Governing Body).

1. **Appointment of Chair:** Matthew Adams was unanimously appointed Chair for the remainder of the academic year.

2. **Apologies:** Cherry Yau and Abi Stephenson.

3. **Standing Items**

- (i) Gill Slater, Phil Douce and Toby Hooper declared that they were Trustees of Heart of Mercia Multi-Academy Trust.
- (ii) Those items referring to individual members of staff or students were identified as confidential.
- (iii) No urgent business was identified.

4. **Minutes**

(i) Minutes of the Resources committee: 21st March 2019

The minutes of the meeting were **confirmed** as a correct record and signed by the Chair. An update was received on the action points arising from the minutes and those action points outstanding are recorded below.

The Clerk advised of the explanation of the Personnel Officer as to why equality monitoring of shortlisted candidates could not be reported on, however, it was noted that the failure to do this left a gap in reporting. The Clerk would ask the Personnel Officer to contact Gill Slater to clarify this.

The Committee **noted** the information provided.

5. **Employment**

(i) Update

The Principal presented his report and highlighted the following:

- A permanent Maths teacher had been appointed for September. A second teacher had been appointed to enable Core Maths to be delivered over one rather than two years, however, an imminent adoption leave would mean that this might not be feasible.
- A new pastoral tutor had been appointed.
- There had been some confusion with payroll as a result of academisation e.g. notifications being received about staff having left the pensions scheme.

The Committee **noted** the information provided.

As requested by the Local Governing Body, the Principal provided a verbal update on the ongoing consultation in respect of the proposed new management structure. He advised that:

- The day after the endorsement of the Local Governing Body he had met with the nine staff who would potentially be negatively affected to outline the proposal and explain the possible mitigation to reduce the impact on pay;
- Meetings with internal and external trade union representatives had taken place;
- Meetings with members of staff as part of the consultation were ongoing;
- There was optimism, from these discussions that colleagues potentially negatively impacted had a good understanding of some of the additional tasks they could take on to mitigate the impact. Other staff had been positive about opportunities for a new Head of Department role and that it was time to do certain things differently;
- Governor, Sean Devlin, would join the Principal and Deputy Principal in considering the consultation feedback to ensure that responses were considered seriously and fairly;
- There was a perception that some of the proposed senior leader roles had been earmarked for certain staff. Whilst this was not the case, some staff were clearly well suited and had particular skill sets which made them suitable to apply;
- Whilst the decision had been made by the Trust not to externally advertise the Principal and Deputy Principal positions, the Principal noted the importance of transparency and staff having the opportunity to apply.

The Committee **noted** the Principal's update and felt that the proposal for a new management structure had been carefully thought through. It was added that the College's staff were fantastic and highly motivated and needed to be supported through the period of transition to the new structure.

6. Finance

(i) Finance Update

The Trust's Finance Director presented her report and advised that:

- Income was the starting point and this was based on the lagged funding system meaning that funding for the next academic year was known early in the current year which assisted with planning;
- Staffing costs were based on each individual in terms of their proportion, number of hours and additional responsibilities, national insurance and pension contributions. Staffing costs in the forecast for 2019-20 were 95% accurate and the following two years were an extrapolation of this;
- The removal of the public sector pay cap and significant increase in teachers' pension contributions had had an impact. Government funding for one year to support the increase in pension contributions had been based on a student number formula rather than reflecting on the actual impact on each institution. The forecast assumed that this funding would be extended beyond one year or there would be another line of funding elsewhere;
- The advanced Maths premium was worth £500,000 over three years;
- Pay awards had exceeded expectations and equated to approximately 1.6% across the board. The pay awards aimed to bring teachers in the sector in line with school teachers, but this was an issue for employers in terms of affordability;
- The staffing cost as a percentage of income was currently 75% and this had come down from 78%;
- The sensitivity analysis outlined areas outside of the control of the College which could have an impact;

In response to questions, the Trust's Finance Director confirmed that:

- The positive EBITDA score for 2019-20 did not take account of the College's contribution to the MAT which would equate to £271,000 based on a 5% top slice. Whilst there was not a set basis for the charge calculation, the academies financial handbook sets a maximum threshold;

- The saving on the commercial loan equated to £150,000 over the term of the original loan;
- The optimistic assumptions in the forecast in relation to extended government funding for teachers' pensions would be explained in the commentary;
- There would be one formal set of accounts for the MAT, but each College would get to see its constituent part.

The Committee **noted** the information provided. It was **requested** that the MAT Board circulate how the MAT charges would be spent and established what the MAT's financial strategies were. Governors emphasised the need for local governors to be satisfied that the College was receiving value for money for the services provided.

The Committee **agreed to recommend** the forecast for 2019-20 to the Local Governing Body for approval.

(ii) Income and Expenditure: May 2019

The Trust's Finance Director presented her report and advised that:

- The financial year changed at the point of academisation and there would be a five month period between 1st April and 31st August;
- A new accounting system had been introduced which was based on the ESFA chart of accounts and how income and expenditure was described would allow national comparison;
- Sixth form college benchmarks would continue to be used for comparison data as academy trusts could often be disparate organisations;
- The former Finance Manager used to place income onto the balance sheet and release it to income and expenditure in monthly amounts over the year to assist with smooth cashflow. This understated the in-year surplus by £300,000.

In response to questions the Trust's Finance Director confirmed that:

- The area of least certainty in terms of full year assumptions were those items yet to be reversed from the old College e.g. accruals, prepayments and deferred income. The LGPS valuation was overdue and was being chased.

The Committee **noted** the information provided and thanked the Trust's Finance Director for joining the meeting.

(Sallyanne Griffiths left the meeting at 6.04pm).

7. Property

The Principal presented his report and advised that:

- Quotes had been obtained with a view to make improvements to the entrance and to install signage around College. This was partly in response to recommendations in the Quality Visit report;
- Matthew Adams had visited College to give his professional opinion on some of the measures being proposed;
- There was also a security aspect in terms of ensuring visitors did not have unrestricted access to the College building. A glass partition at a cost of £3,000 was proposed;
- A consultant had visited College with a view to preparing a Condition Improvement Fund bid. It was suggested that measures to improve security might be suitable candidate, however, given the negligible cost the glass partition would probably be put in place outside of a bid.

There was some concern that the budget did not cover capital spend and governors lacked the ability to see the bigger picture and how the proposed spend, which the Executive Principal had agreed, fitted in with the total premises budget for the year. The Principal advised that assumptions in the budget and forecast about capital spend had been carried forward from last year.

The Committee **noted** the information provided and commented that proposals in relation to improving the entrance, signage and security were well thought out. The signage that had been agreed as a design was positively received.

8. Governance

(i) Update

The Clerk presented her report and outlined the following points:

- The schedule of meetings has been arranged to allow time for minutes to be prepared ahead of publication of agenda papers for the Trust Board. The Clerk to the MAT was in agreement with the suggestion that two committee dates at the very start of the academic year were too early to be productive or report in any detail. It was, therefore, proposed that timing of Committee meetings reflect the same pattern as previous years with three in total.
- The committee's terms of reference aimed to ensure that all those within the terms of reference for the Trust's Finance and Resources Committee were covered whilst also ensuring other aspects of the former Resources Committee were included;
- It seemed sensible for the cycles of business of the Local Governing Bodies of both academies within the Trust to have commonality so that, for example, Trustees would consider both annual safeguarding reports at the same meeting when they might currently be reported at different times. The Clerk would continue to liaise with the Clerk to the MAT to streamline Board and Committee business as much as possible;

In response to questions the Clerk advised that:

- The Local Governing Body at Hereford Sixth Form College had decided not to operate with sub-committees and planned to have more frequent meetings of the Local Governing Body;

The Committee made the following **recommendations** to the Governing Body:

- To approve the schedule of meetings for 2019-20 with the omission of two early Committee meetings;
- To approve the terms of reference for Finance and Resources Committee.

9. Policy Reviews

Fees Policy

The Principal proposed that the fees for evening classes increased slightly. He confirmed that provision did not generate much surplus, but offered a service to those who enrolled on courses, particularly where Maths and English GCSE qualifications were required.

The Committee **agreed to approve** the Fees Policy with the minor amendments proposed by the Principal.

Sustainability Policy

The Committee **agreed to approve** the Sustainability Policy without change.

There was some discussion about the approach of the student body towards climate change. The Principal advised that there had been some interest in an environmental group and it was hoped that this would motivate students to be more involved. The Deputy Principal added that the Student Council had planned a community litter pick for Green for Grenfell.

10. Annual Reports

Staff Development

The Deputy Principal presented the report and outlined that the focus of training had been on mindset and linearization. She added that there would be a focus on the new inspection framework and an ambitious curriculum.

The Committee **discussed** the content of the report and **noted** the information provided. It was commented that the College's approach to staff development was well thought through and impressive. The Committee thanked the Deputy Principal for her report.

Learning Support

The Deputy Principal presented the Learning Support annual report which had been prepared by Sara Payne, Learning Support Manager. The following points were raised:

- The College was grateful to Emma Bridges who had acted as Learning Support Manager to cover maternity leave;
- Changes were being considered about how Core Support was organised;
- Support had been offered to students with a wide range of needs including three with Educational Health Care Plans;
- 42 applicants were invited to a pre-induction day. The applicants invited often suffered with anxiety and it was hoped attending a smaller event would help them feel more comfortable;
- Access arrangements were being reviewed. There had been a backlog, but this had now been addressed;
- Tutors and Learning Support staff would attend Papyrus training.

The Committee **noted** the information provided and thanked the Learning Support Manager for a detailed report.

Student Suspensions and Exclusions

The Committee **discussed** the content of the report and **noted** the information provided. The Deputy Principal advised that suspensions are not ordinarily used as a sanction given the impact of missing lessons on student progress. There had been a couple of exclusions at the start of the year and these were serious incidents. Where disciplinary proceedings were being followed and meetings held, parents were involved and warnings were often issued about future behaviour.

The Committee **questioned** whether the increase in the 'other' category was due to more instances of poor behaviour or a less tolerant approach. The Deputy Principal advised that there were no particular patterns, but the College had maintained a strong stance about cyber-bullying and misuse of social media made up a significant proportion of the other category. The Principal added that the College was keen that where decisions might be taken that potentially negatively impacted on a student's education, that procedures with a route of appeal be followed.

The Committee **requested** that the 'other' category be unpicked and refined.

Equality and Diversity: The Committee **discussed** the content of the report and **noted** the information provided. The Committee responded positively to attempts to raise awareness across College.

11. Health & Safety

(i) Health & Safety Update and Accident Report

The Principal presented his report and referred to the action taken to secure the building with entrance by ID card only. The Committee **noted** the information provided and received the accident statistics. It was noted that there had not been any accidents that needed to be reported to RIDDOR.

12. Closing Standing Items

(i) Risk Management

The Principal advised that the Risk Register and Assurance Map had been updated and outlined where there had been changes. He reported that:

- The score for reduced operational effectiveness as a result of loss or retirement of Senior Postholder, Senior Manager, or key support staff had been reduced given the permanent appointment of the Principal and Deputy Principal and the proposals to establish a sustainable management structure;
- A bus service linking Clows Top to Cleobury Mortimer and a taxi from Shrub Hill station would be launched for next academic year;
- Curriculum areas had been identified where provision may not continue if recruitment did not increase;
- Offers of a place to applicants were higher than the same point last year, although there were more applicants from schools with sixth forms. Colleagues were working hard to bring about an increase in student numbers;
- Development of the new MIS system was ongoing and staff were being trained in July, although there was still significant risk attached to introducing a new system.

In response to questions the Principal advised that:

- Whilst the Trust was the employer of all staff at the College and HSFC, no Trust appointments had been made although certain staff had been identified as having Trust roles.
-

The Committee **noted** updated to the Risk Register.

(ii) Impact: The Committee agreed that their challenge of budget assumptions and MAT financial strategy would positively impact on student provision.

(iii) Any Urgent Business: None.

(iv). Date of Next Meeting: Wednesday, 13th November 2019 (if the schedule of meetings is approved by the Local Governing Body).

The meeting finished at 7.02 p.m.

Signed:.....

Matthew Adams (Chair)

Date:.....

RESOURCES COMMITTEE: ACTION POINTS ARISING FROM MEETING ON 19TH JUNE 2019

Report Reference	Action Point	Person Responsible	Completion	Check
F&R/19.06.19/6(i)	Circulate explanation of how MAT charges would be spent and establish the MAT's financial strategies.	SAGR	July 2019	
F&R/19.06.19/10	Refine the exclusions support in terms of the 'other' category.	RJS	November 2019	

ACTION POINTS CARRIED FORWARD

Report Reference	Action Point	Person Responsible	Completion	Check
RC/20.03.19/4(i)	Ask the ESFA if there would be any formal acknowledgement/sign off in relation to Early Intervention.	JJP*	10.04.19	

ACTION POINTS COMPLETED

Report Reference	Action Point	Person Responsible	Completion	Check
RC/20.03.19/5(i)	Ask the Personnel Officer if it is possible to record equality monitoring details for shortlisted candidates.	EYS	10.04.19	✓
RC/20.03.19/7	Identify policies and procedures which have the right of appeal.	EYS/JJP	10.04.19	✓

* Denotes changes.