



# BHASVIC

**BRIGHTON HOVE & SUSSEX SIXTH FORM COLLEGE  
MINUTES OF THE RESOURCES COMMITTEE HELD ON  
MONDAY 20<sup>TH</sup> JUNE 2022 AT 6.00 P.M.  
ROOM 20, MAIN BUILDING**

**Present:** William Baldwin (Principal), Chris Newson (Governor), Marcus Palmer (Governor and Chair of Resources), Sandra Prail (Chair of Governors), Mark Snape (co-opted Member), Jo Usher (Governor – Support Staff), Tom Wolfenden (Vice Chair of Governors)

**Chair:** Marcus Palmer

**In attendance:** Jutta Knapp (Assistant Principal), Emily Andrews (HR Manager) – for item 2.1 HR, Jacquie Punter (Director for Digital Strategy) for IT Strategy and Developments item 3.1, Louise Pennington (Governance Director/Clerk).

**NOTE: FOR EASE OF REFERENCE QUESTIONS AND COMMENTS FROM GOVERNORS HAVE BEEN INCLUDED IN BOLD ITALICS**

## **SECTION 1: ROUTINE AND STANDING ITEMS**

### **1.1 Apologies for Absence and Welcomes**

**Welcomes:** Jo Usher (Governor – Support Staff – to be appointed at Corporation on 11<sup>th</sup> July 2022)

**Apologies:** Mick McLean

### **1.2 Minutes of the Meeting Held on 9<sup>th</sup> March 2022 – main business. Refer 6.1 for confidential minutes.**

Both sets of minutes (main and confidential) were approved and the Chair was authorised to sign them.

### **1.3 Matters Arising**

The contents of the actions' schedule were noted, including those actions which had now been completed.

Regarding the new management accounts format and content and the action to check with all Governors whether they found the new layout more useful, as all Governors had had an opportunity to comment on these, it was agreed that there was no need to repeat the action.

### **1.4 Declaration of Interests – None**

### **1.5 Principal's Update**

The Principal gave the following update to the Committee based around resource implications:

- Verbal updates were given at the recent Q & C Committee and William Baldwin gave a summary of the key matters reported at that meeting, relating to curriculum matters, including –
  - Exams: The examination period is due to end shortly but there have been some additional issues for Students who don't live close to College, owing to the train strikes, noting that it was each student's responsibility to get to the examination centre. Anxiety levels are high within the Student community particularly in light of the fact that the current cohort had not had the experience of sitting GCSE examinations, combined with a disrupted education over the last 2 years owing to Covid. The College has put in place support to assist those Students who need additional help and guidance. There were some issues arising from invigilation at the beginning of the examination period, which had since been addressed.
  - Attendance: Student attendance overall is below pre-Covid levels, averaging 90% currently, which compares with 93% in 2019/2020. Nationally there has been an average 7% drop in Student

attendance. The College established a working group to investigate attendance which provided feedback to SLT earlier today and the College is aiming to introduce various initiatives to improve attendance.

- Skills Act: it was confirmed that legislation was in place in respect of the new Skills agenda and College Boards (and not the Management of the College) now have the duty in respect of the curriculum to ensure it meets the local skills' needs. The legislation only applies to FE and SFCs and not to School or Academy Sixth Forms, despite the fact that the curriculum is the same. The Chair and Principal have reviewed the requirements and prepared a paper for Governors to be presented via the Search and Governance Committee, due to meet on 27<sup>th</sup> June. BHASVIC will be working with other partners, the DfE and Ofsted to determine the expectations upon the College and how best to manage this to meet the new requirements.
- 40 Additional GLH (Guided Learning Hours for students): With effect from September 2022, Colleges will receive additional funding to provide the additional hours, within specified criteria. There are 4 key aims – confidence regarding transition from school to College, subject based delivery of essential skills per subject, personal development culminating in a work experience week at the end of first year, plus Duke of Edinburgh and other similar options.
- Staff Recruitment: this year has been very busy in terms of Staff turnover and recruitment and Emily Andrews will provide details of this within her HR report below.
- : The ONS (Office for National Statistics) is investigating whether Colleges should move back from the private sector to the public set and be reclassified accordingly. If SFCs return to the public sector this will have a number of implications and consequences including no longer required to pay VAT or rates, having access to cost of living pay rises, but no longer able to carry debt or seek commercial loans. The outcome of the ONS review should be announced within 6 weeks and the Government will then have to consider the ONS' guidance and decide whether to reclassify Colleges, depending upon the recommendations given.

Thanks were recorded to William Baldwin for his update to the Committee.

## **SECTION 2: HR AND RELATED MATTERS**

### **2.1 Termly Update on HR and Related Matters**

#### **a) HR Update**

Emily Andrews, HR Manager was welcomed back to College and she gave the following HR update to Governors:

- Recruitment – the HR Team has had to focus upon a very busy recruitment period, noting that the number of recruitment cases being managed has increased from an average of 55/58 per year, to 73 for this year to date; this is mainly to replace existing posts following resignations/retirement, but this year there have been a number of additional posts too eg in respect of the new GLH requirements. The notice given by Staff intending to leave has also become later in the year than in the past and the Committee was reminded that the last point at which the notice period for Teachers, may be submitted is 31<sup>st</sup> May, with only 3 late notifications falling on this deadline (mainly owing to family issues). The consequences arising from Staff notice, is the need to backfill the roles created when internal appointments have been made; currently there are 6 internal appointments which fit into the category. The other issue which the HR Department is managing is the later than usual re-advertising of vacancies and currently there are 8 posts where the College has not been able to appoint anyone to the post/s – most of these relate to lower paid support staff roles. The various issues referred to above having prompted HR to review its application processes and a working group has been established to review this (Alison Cousens, Tarquin Grossman, Emily Andrews and Jutta Knapp). Currently the College requires fairly lengthy application forms/personal statements to be submitted by candidates and this is not appropriate for lower grade Support Staff roles. Hence, the Group will review this and suggest an alternative, simpler application process particularly for Grade 3 or below. Specific educational skills will only be included if essential.
- Training is being provided for Managers at present on how to write job descriptions/personal specifications within their departments as many are too lengthy and technical and may put candidates off applying. Managers are being asked to focus upon key skills written in standard language to encourage more applications.



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- HR Department is also reviewing the best advertising options. Historically for Teaching posts, this has been the TES, but isn't suitable for Support Staff. Support Staff adverts have also been included via the Love Local Jobs site which has been useful in the past, but owing to the more recent lack of applicants, other recruitment sites are being investigated.
- The Committee was aware of the general difficulty in recruitment across the UK.
- The Committee was advised that from a risk management perspective the College may not be able to appoint to some Teaching roles which may limit Students obtaining their preferred choices with consequential reputational damage.
- The College will also aim to encourage applicants from all levels including NQTs who may be intimidated in applying owing to the well-established and experienced Teaching team at the College.
- The Principal reported on the recent meeting with the Skills Minister and Sussex MPs who expressed interest in workforce shortages in the sector.
- HR have also been focusing on flexible working arrangements to encourage applicants including term time only, working from home etc to assist recruitment. Following a suggestion from Governors it was agreed to include advertisements within the College's own newsletter to Parents.
- Governor recruitment – as reported via the Search and Governance Committee, interviews will be taking place on Monday 27<sup>th</sup> June, with 3 candidates for the Governor/s vacancies, following which the S & G Committee will be reviewing the recommendations from the Interview Panel. It was noted that no interest had been received for the Governor/Chair Designate opportunity.

Thanks were recorded to Emily Andrews who then left the meeting.

**b) National Pay Negotiations:** owing to the confidential nature of the business, it was resolved to transfer this item to a confidential minutes

## SECTION 3: RESOURCES AND RELATED MATTERS

### 3.1 IT Strategy and Developments

Jacque Punter introduced the paper (which was sent to Governors, separately from the main pack) and it was noted that although Mick McLean had provided input on the paper.

In summary and noting the contents of the paper, the College's digital situation had improved with significant achievements in infrastructure and a focus on site security, with associated training in digital skills for all Staff (Summer Term all staff face to face training with an external trainer), the latter of which will be given to Students. Regarding Cyber security work, that for the perimeter security had all been completed. Monitoring of this is in place with the IT Team increasing their learning as they work on this.

There is a platform on Teams for Digital Skills training, accessible to all Staff.

2 initiatives have been taken forward to improve communications – 1) Staff Communications Manager has been appointed and 2) For Students an app (Myday) has been devised to unify all Student related communications (eg news, timetable etc) into 1 place and this will be rolled out wef the next academic year; having discussed and testing this with some Students, it's likely to be very popular.

Thanks were recorded to Jacque Punter who left the meeting at this point.

### 3.2 Management Accounts for the Three Months to 30<sup>th</sup> April 2022

The Management Accounts were noted and the Committee was reminded that a copy of the final version would be included in the Corporation Meeting papers for information. **ACTION: Jutta Knapp**

The Committee was reminded that the Accounts were in the new prescribed format, first seen last term.

The College is meeting most of its targets including meeting bank covenants and the financial health score remains "good". Cash will also be generated as at the year end.

Page 23 Major Variances – areas were highlighted where there was a discrepancy and attention was also drawn to the STF Grant in respect of the Carbon Literacy Project.

### 3.3 Budget 2022/2023

The contents of the paper introduced by Jutta Knapp were considered by the Committee, highlighting the following:

- Summary sheet which details the main assumptions, key elements and link to Premises paper
- Premises proposals (and see item 3.6 below) – planning to commission 6 new modular portacabins to provide additional classrooms, plus 2 offices and at the same time removal of 2 of the old temporary huts – this will provide the additional capacity needed to meet the extra 40 GLH for next year. Currently, there is no spare capacity so this is crucial works to meet the extra hours to be provided. The proposal will be based upon a 3 year rental arrangement, and at the same time work will be underway to prepare a project plan for a permanent building on the site. Temporary planning for the portacabins will be sought for a 3 year period. The costs for the temporary accommodation will be included in this budget (£350k revenue item for installing the temporary structures, plus rent for the first year). In response to a question from the Committee regarding the budget allocation, Jutta Knapp explained that this would be reflected in the 2022/2023 budget and not spread over 3 years, having confirmed this with the College's auditors.
- Staffing costs – noted that one page was missing from the document within the papers (page 31), however it was noted that the key information was included in the other pages. Regarding the Staffing cost detail, Jutta Knapp drew attention to the contingency budgets and advised that since the first draft budget, when the costs in respect of the additional 40 GLH, were only indicative, the detailing Staff costings have now been allocated as far as possible ie in respect of additional Staff recruitment; notwithstanding this as there will also be claims from existing Teaching areas, a contingency has been retained to meet this. Furthermore, the College is continuing to recruit for some Staffing areas, and the costing details won't be finalised until enrolment – hence the Staff budget will in effect be re-calculated in September/October, once the enrolment process has been completed. Regarding Support Staff, a contingency budget of £110K has been set aside to provide for any support staff posts changing during the year, together with any changes in respect of job re-evaluations.
- Energy costs – these have increased by £100K approximately.
- Rates have increased significantly too, owing to the impact of the new Elms Building.
- The College has established a healthy IT budget – refer page 32 and this also takes account of the various IT licences, which were required in respect of the ongoing IT work.
- Page 33 under Premises maintenance costs, the IT capital spend figure is £350K, reflecting the IT hardware associated with the work planned and essential, including a new server. It was noted that there was some flexibility in the decision making regarding the budget, so that should some of the more essential items, become more costly, other elements of the IT budget, may have to be deferred.
- Page 32 loan interest in respect of the Copper Building, noting that this was based on a fixed interest rate. In contrast the Elms Building loan interest rate is variable and has already increased by 1.5% (note 0.5% equates to approximately £4K loan interest) and will be monitored closely. Should it be necessary, a proportion of the Staffing contingency budget may need to be released to cover any further increase in interest.
- Jutta Knapp provided assurance to the Committee that every line of the detailed budget was reviewed not only by SLT but also with the budget holders and comparisons are also made, with the previous year's figures. This year, many of the individual curriculum and support area budgets remain the same as last year.
- The examination fees' budget has been increased significantly, so more has been allowed in the budget this year.
- Capitation has been increased in the budget this year owing to Student numbers increasing along with costs of books/other educational materials.
- The Committee were given assurance regarding the fact that all budget holders were spending cautiously and none were spending their whole budget unless essential, with any balance remaining in year.

**Questions:**



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- 1) Governors questioned the significant increase in the SPH salaries and the Principal explained that this was in fact an increase in SLT salaries, following the management decision to appoint Jacquie Punter to SLT. It was agreed that the budget entry should be revised to read SLT **ACTION: Jutta Knapp**
- 2) In response to a question regarding IT Licences and equipment and the large increase was in respect of a new server, together with an increase in the cost of both existing and new licences (more specifically the College is looking to replace its CIS System (Advantage) and for a short time, this will mean operating two systems concurrently which costs approximately £80k each.
- 3) Regarding a question arising from the recruitment process, Jutta Knapp confirmed that the figure in the budget was the overall cost of recruitment, but explained that additional costs may be generated should additional recruitment agents be used, noting that the cost for this was still expected to be within the overall recruitment budget.
- 4) The Committee discussed the Digital/IT budget and questioned whether the College SLT had thought, during such a difficult financial year, particularly with interest rates likely to continue to increase, whether the budget should be more prudent. In response, the Principal reported that the College had received the additional funding specifically to utilise in respect of the additional 40 GLH provision, some of which will be utilised within the Digital/IT budget allocation. Regarding the one off costs for next year arising from the additional Portacabin provision (which was also needed to cater for the additional 40 GLH), this proposal has been discussed for some time in light of the additional 40 GLH, taking into account the College's cash position and the essential need to invest to provide the capacity for the College's Students. It was also confirmed that there was no intention to utilise the College's cash reserves to meet any Staff costs. It was also recognised that SLT and Governors had experienced very difficult financial times over the last 10 years, particularly without any increase in funding for most of that and the Committee was reminded that when the previous Resources Chair, Howard Kidd was in post, he had initiated a financial analysis exercise to set out curriculum and support costings, so that should the financial situation become very difficult, adjustments could be made based on that methodology; the latter could be revisited and applied should circumstances require this. SLT assured Governors that there was some flexibility within the budget, together with a number of contingency sub-budgets.

Taking into account the points made above, the budget was recommended to Corporation for approval. **ACTION:** Jutta Knapp

### 3.4 College Financial Forecasting Return

Jutta Knapp presented the item to the Committee noting the following:

- The return covers the outturn for the current year, incorporating the financial information as included in the latest Management accounts.
- The key figures were noted – as also reported above eg Staff pay increase, funding increase, assumptions and new portacabin lump sum.
- The figures allow for the currently known payments such as the portacabin costs, together with examination fees etc.
- No allowance has been included for any capital build, apart from a small amount set aside in respect of professional fees associated with taking forward the next capital build.
- The return provides a good financial forecast, together with an increased cash balance on the previous year.
- The main assumptions given enable the College's financial targets to be met along with compliance with the loan bank covenants.
- The Committee raised a query relating to the possibility that the ONS guidance may change with a reclassification of SFCs from the private to the public sector. In response, Jutta Knapp confirmed that on a positive note if this was to take effect, the College would benefit financially as currently approximately £300K is paid in Vat and in respect of rent/rates the College has an 80% allowance whilst academies (public sector) have a 100% allowance; the College's rate costs are currently about £60K and there would also be savings on Employer's NIs etc. However, the College's borrowing could create problem as public sector educational institutions are not able to take advantage of commercial borrowings. It was reported that the College has

been asked to completed a detailed financial spreadsheet including details of all borrowings, leases, working capital and cash by the end of this week and the College has also been asked for the College's lenders to liaise directly with the DfE, which the banks are not prepared to do; this will enable the overall debt/borrowing position within all SFCs to be identified, prior to Government making a decision whether to follow the ONS recommendation, should it be that Colleges should be re-classified. Further information will be made available once the ONS has issued its guidelines.

The Committee recommended the document to Corporation for approval. **ACTION: Jutta Knapp**

### 3.5 Financial dashboard and ESFA Assessment of Finance Record

Jutta Knapp introduced the documents and the following aspects were recorded:

- The change in the latest dashboard compared to previous versions, the latter of which provided comparisons with other Colleges, was noted, with the current version being a stand alone dashboard for BHASVIC.
- The dashboard provides all key financial information, previously circulated to the Committee, but in 1 place.
- In future this information will be supplied by the ESFA via an online tool, accessible to SLT and Governors, so that this annual document will no longer be issued separately.
- The ESFA Assessment of Finance Record confirms the financial health calculations which the College submitted in the latest Financial Statements which remains at "good".
- A couple of points were highlighted picked up in the auditors' management letters and confirming actions from the previous year, which have now been completed. This will be reported via the Audit Committee but Jutta Knapp advised that she had confirmed the completion of the actions in writing and this will be reported in the next Management letters.
- ***Referring to page 40 and page 28 and the KPIs listed, following a question from Governors, Jutta Knapp confirmed that those on page 40 were in respect of financial targets, whilst those on page 28 were in respect of bank covenants. It was also suggested that the commentary on page 40 regarding the targets was not consistent with the wording on page 29. In response Jutta Knapp confirmed that the wording had been revised, but agreed that further clarification could be included. ACTION: Jutta Knapp***
- ***Governors also sought assurance regarding the comparisons with figures in pre-Covid years, particularly in respect of miscellaneous income, catering income and venue hire etc. However, Jutta Knapp advised that the income projected for next year, in respect of the "other income" quoted above, was in fact comparable to the pre-Covid year/s, although she agreed that this was not comparable with the figures in the budget paper. Jutta Knapp added that in terms of the actual figures (not shown in the budget paper) the catering income was slightly better than that achieved in 2018/2019 (pre-Covid).***
- Reference was also made to the CDP which was considered at the recent Q & C Committee and will also go to Corporation, which details additional income streams, together with supporting narrative and a tracking income movement. The Committee considered whether CDP section 4 should be included in future Resources Committee meeting papers. At this point, the Committee noted the outstanding action from the last meeting, relating to a report regarding the site utilisation including evenings etc and although the restrictions regarding site utilisation owing to VAT rules, the Principal agreed to take forward the various points raised by Governors and investigate this further with SLT. **ACTION: William Baldwin**
- Governors agreed that it was important to continue to profile income and to keep this under review. However, it was also noted that some areas provided by the College, were not focused upon generating income, rather than providing a service such as catering. The Principal reminded the Committee that income had increased as a result of increasing Student enrolments reflecting the quality of Student experience and meeting the needs of the local community.

Subject to the points made above, the documents were agreed and noted. **ACTION: Jutta Knapp**

### 3.6 Premises Update

Jutta Knapp gave the following update to Governors:



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As reported earlier, the plans to introduce additional modular accommodation in order to meet capacity requirements to cater for the 40 additional GLH was reiterated. ***In response to a question from Governors regarding the risk of commencing work without planning permission, SLT indicated that this was low risk.*** The building of the modular blocks will be built off site and it's not likely that these will be installed on site, until planning permission has been granted. At this point the Committee questioned when approval would be required and sought from Governors and SLT confirmed that the decision wouldn't be needed until next term, until an update from the College's Planning Office has been received. Regarding the timescale, the Principal advised that SLT would need to submit the planning application as soon as possible, aiming for this week. He explained that the intention would be to replace the single story and double story existing portacabins and with the replacement new portacabins, there will be room for some outside space and improved landscaping/access, noting that the outcome should not impact local residents. The essential need for the works was recognised by the Committee in order to have sufficient capacity to achieve the additional 40 GLH provision.

In summary, the Principal confirmed that once the planning application had been submitted and reviewed, approval for progressing the works would be sought from Governors. **ACTION: SLT**

Secondly, the Principal reported on the capital bid preparation, in readiness for any future bid offer, with the assistance of HNW; a capacity assessment has been carried out which endorsed the view that the College has insufficient space to cater for its Student body, being 11 classrooms short. The proposals support a new build, similar to the size of the Copper Building. The College's bid will be supported by detailed analysis in addition to the space utilisation assessment (this includes an audit of room usage and capacity per room – a good room utilisation % is 42% and the College's current figures are 57%), and also including local demographics, historical application details and enrolments which will demonstrate that the only solution to deliver the curriculum effectively, will be a new building. Regarding timing, once the design stage has been drafted, planning permission will be submitted – probably next year, with the aim of commencing works in approximately 2 years time, and the end time of which will coincide with the modular blocks' rental agreement. The Committee questioned whether net zero considerations would be taken into account and it was recognised that this would increase the overall cost, so the impact of this would have to be taken into account.

### 3.7 Risk Assurance

William Baldwin introduced the paper which detailed the risks within the Risk Register, which were attributable to this Committee, the contents of which were noted, and included the key risks scoring 6 or 9. The Principal confirmed that SLT had reviewed the 2 risks remaining within the score range above.

The Committee endorsed the view that adequate assurance from SLT was obtained by the Committee and that risks were being managed with an appropriate level of mitigation. This assurance will be reported to the next Audit Committee. **ACTION: Jutta Knapp**

## SECTION 4: CONSENT AGENDA

### POLICIES AND OTHER DOCUMENTS

(where there are no questions or comments received from Committee members prior to the meeting, the policies and documents will be recommended to Corporation for approval.)

#### 4.1 Business Procedures (significant changes only) – agreed.

## SECTION 5: OTHER MATTERS

### 5.1 Any Other Business

- a) Committee Annual Self-Assessment and Review of Terms Reference (Resources Committee and Premises Group).

The Committee reviewed the list of questions and there were no specific questions relating to these to be recorded.

It was also resolved to recommend to Corporation that the Resources Committee and Premise Group terms of reference should remain unchanged. **ACTION: Louise Pennington**

The Committee did discuss where the responsibility lay with regard to carbon footprint oversight and also sustainability and it was noted that Q & C Committee was currently overseeing the former – including the carbon literacy programme, whilst sustainability was currently lead by Tom Wolfenden – Lead sustainability Governor.

**5.2 Date of Next Meeting – tba**

**SECTION 6: CONFIDENTIAL BUSINESS – refer separate record**

**6.1 Confidential Minutes from Last Meeting held on 9<sup>th</sup> March 2022-** The minutes were approved by the Committee and the Chair authorised to sign them.

**6.2 Matters Arising – none.**

**6.3 Any Other Business (Confidential Matters) - None.**

**Louise Pennington**

**Chair.....DATE.....**