

## **FINANCE & GENERAL PURPOSES COMMITTEE**

### AGENDA NOTICE

#### **Finance & General Purposes Committee Meeting**

**Date:** Thursday 17<sup>th</sup> March 2022

Time: 5.00pm

**Venue:** Online

- 2.1 Opening of Meeting and Apologies for Absence**
- 2.2 Declarations of Interest**
- 2.3 Minutes of the last F&GP Committee held 25<sup>th</sup> November 2021**  
Part 1 Appendix 2.3
- 2.4 Matters arising from the minutes**  
Chair of F&GP Committee Appendix 2.4

#### **FINANCE**

- 2.5 Management Accounts and Financial Forecast for February 2022**  
Report by the Director of Finance & Corporate Services Appendix 2.5
- 2.6 Monitoring of Financial Risks**  
Report by the Director of Finance & Corporate Services Appendix 2.6
- 2.7 Capital Projects Update**  
Report by the Director of Finance & Corporate Services Appendix 2.7
- 2.8 Banking & Treasury Management Termly Report**  
Report by the Director of Finance & Corporate Services Appendix 2.8
- 2.9 Bad Debtors**  
Report by the Director of Finance & Corporate Services Appendix 2.9

#### **GENERAL PURPOSES**

- 2.10 Gender Pay Gap Report**  
Report by the Director of HR Appendix 2.10
- 2.11 Health & Safety Termly Report**  
Report by the Director of Finance & Corporate Services Appendix 2.11
- 2.12 Health & Wellbeing Board minutes**  
Report by the Principal Appendix 2.12

#### **STAFF GOVERNOR TO LEAVE**

#### **CONFIDENTIAL**

- 2.13 Minutes of the last F & GP Committee held 25<sup>th</sup> November 2021 (cont.)**  
Part 2 Confidential with restricted circulation Appendix 2.13
- 2.14 Remuneration Strategy**  
Report by the Principal/ Director of Finance & Corporate Services Appendix 2.14
- 2.15 Any Confidential Matters of Report**  
Verbal report by the Principal
- 2.16 Any Other Business**
- 2.17 Date & Time of the next meeting**  
Thursday 23<sup>rd</sup> June 2022 at 5pm

## **DISTRIBUTION LIST**

### Committee

Mrs G Christie – Chair  
Mr D Axam  
Professor M Earwicker  
Mrs K Harris-St John  
Professor O Khan  
Mr H Malins  
Ms V Barratt - Principal

### In attendance

Mr P Makwana - Director of Finance & Corporate Services  
Mr M Wilkie – Director of HR  
(for item 2.11 only)  
Ms J Toner – Health & Safety Consultant  
(for item 2.13 only)  
Ms C Gillam – Clerk to Corporation

## **Farnborough College of Technology**

### **Finance & General Purposes Committee**

Minutes of meeting held on Thursday 17<sup>th</sup> March 2022

#### Present:

Mrs G Christie – Chair (via video conference)

Mr D Axam - (via video conference)

Professor M Earwicker - (via video conference)

Mr H Malins - (via video conference) – *left towards the end of item 2.14*

Ms V Barrett – Principal (via video conference)

#### In Attendance:

Ms J Toner – Health & Safety Consultant (via video conference) – *until end of item 2.11*

Mr P Makwana – Director of Finance & Corporate Services (via video conference)

Ms C Gillam – Clerk to the Corporation (via video conference)

Quorate: Yes

*The meeting opened at 5.06pm*

#### **2.1/21.22 Opening of Meeting and Apologies for Absence**

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Apologies were received and accepted from Mrs Harris-St John and Professor Khan, and from Mr Wilkie who had been due to present agenda item 2.10 on the Gender Pay Gap. Mr Axam was welcomed to his first Committee meeting and Ms Toner was welcomed to present agenda item 2.11 the Health & Safety Termly Report. The Director of Finance & Corporate Services explained that Ms Toner was an experienced Health & Safety Officer who was one of two external consultants assisting Mr Rab, Security Supervisor, in his role as the Health and Safety Co-ordinator and providing an external opinion on the College's risk assessment and processes. The other external consultant was the College's former Health & Safety Officer Ms Bates.

#### **2.2/21.22 Declarations of Interest**

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No interests were declared.

#### **2.3/21.22 Minutes of the meeting held 25<sup>th</sup> November 2021**

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The Part 1 minutes of the last meeting were accepted as a true and accurate record and would be signed by the Chair.

#### **2.4/21.22 Matters arising from the minutes**

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The Committee noted that all actions from the previous meeting had been completed or were in progress.

*The agenda order was revised as follows.*

#### **2.11/21.22 Health & Safety Termly Report**

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Ms Toner introduced the report covering the period 4<sup>th</sup> January to 9<sup>th</sup> February 2022. She drew attention to the change in organisation arrangements for Health & Safety at the College and explained how the two Health & Safety Consultants worked to support the Security Supervisor. The arrangement was working well and the Consultants provided a broader view of the Health & Safety function. Covid continued to be a live issue and safety measures were modified in accordance with changing Government guidance, the most recent being published on the 24<sup>th</sup> February. Fire risk assessments had been updated and drills were being carried out. The number of accidents and incidents was discussed with Ms Toner noting that the numbers were

not unusual and the majority involved cuts to students learning practical skills. Risk assessments for those areas were reviewed to ensure all control measures were in place as well as appropriate induction and training provision in workshops. There were no RIDDORS. Better use was being made of eLearning to support Health & Safety training and this would be a key feature going forward. The Committee thanked Ms Toner for her report.  
*Ms Toner left the meeting.*

## **2.5/21.22 Management Accounts and Financial Forecast for February 2022**

The Director of Finance & Corporate Services presented the financial forecast for February 2022. This forecast showed a surplus of £377k for the year against a budget of £534k which was a decrease of £157k. Forecast growth for the prescribed HE delivery had not materialised but there was an uptake in accelerated 2 year degrees (against a reduction in 3 year degrees) and a growth of £200k for HE apprenticeships. There had been additional maintenance expenditure of £340k for mall cleaning and painting, and new wall graphic designs. Depreciation was forecast as a reduction of £100k against budget. Governors enquired why HE growth was not as forecast and the Principal explained that growth had been anticipated as following the 2008 economic crash there was an increase in demand for education. A similar increase was predicted post covid but this had not materialised due to rising inflation. There was a decline in classroom based HE but an increase in apprenticeship based HE. The Principal added that in the current economic climate apprentices were leaving to take up full-time jobs with 20 apprentices having left the College in the last month. Governors acknowledged that it was difficult to forecast when there were so many factors at play and it was best to take a conservative approach.

Turning to the management accounts for February the Director of Finance & Corporate Services noted that the cash forecast was in line with the budget set at £16.4m. Debtors had reduced by £611k which showed that credit controls were working well. Looking at the key performance indicators on page 30 of the meeting pack it was noted that ESFA funding represented 67% of total funding and staff costs were 53% of total income (actual year to date) against a budget of 57%. To mitigate risks the College was holding contingencies of £550k made up of £400k held under non-pay and £150k held under pay. The Committee thanked the Director of Finance & Corporate Services for his clear presentation of the financial position.

## **2.6/21.22 Monitoring of Financial Risks**

The Director of Finance & Corporate Services presented the financial risks monitored by the Committee and noted that the full risk register had been discussed at Audit Committee. There were 9 financial risks: 3 with a net risk of 9, 4 with a net risk of 12 and 2 risks concerning staffing with a net risk of 20. He explained that Audit Committee had held a useful discussion assisted by the Internal Auditor regarding gross and net risk scoring. The Internal Auditor had noted that keeping the gross risk score the same whilst changing the net risk score gave the appearance that for the risks which have net risk scores higher than the initial gross risk score the mitigating actions taken by the College may have had a negative effect. Yet the increase in net score actually reflected the changing external circumstances and so after discussion it had been agreed to change both the gross and net risk scores. The risks showing an increase in the net score were those regarding staffing and the Principal noted that there was a national crisis in FE staffing. Governors requested an update on the staffing situation at the College. The Principal noted that due to the timing of submitting reports to the Committee there was a lag between the situation on the ground and that reported in the risk register. Business, Travel & Tourism would now be fully staffed by the end of the month. Digital had experienced acute staffing issues but the College had approached final year HND students to see if any were interested in teaching. 2 students gave a micro teach and were now being supported by the Director of Quality on a bespoke teacher training programme to deliver further teaching, as was a talented Media technician. The Associate Director of Learning Information Services who was a former IT teacher was also providing a day's teaching every week. The Principal praised

how hard IT staff were working to cover teaching. Governors welcomed the news that HND students were delivering teaching noting that it would be beneficial for the students and mimicked the situation in Universities where PhD students taught. Governors enquired as to the use of recruitment agencies and the Principal noted that fees were excessive and many offers of appointment were then subsequently lost to counter offers that the College could not compete with. Governors noted that in such an environment it made sense to focus on retaining staff and there should be provision in the budget for retention activities. The Principal agreed and noted that whilst staff had to be in College to teach, staff were now allowed to work from home during the College holidays. Approaches such as offering part-time flexible hours were being made to entice retired industry workers into teaching. Different partnerships were also being explored such as the provision of 4 weeks block training from the National Composite Centre which would replace teaching for that period.

## **2.7/21.22 Capital Projects Update**

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The Director of Finance & Corporate Services gave the Committee a progress update noting that since the last report 2 projects had been finalised and plans for the T Level Wellbeing Sensory Garden were being developed. Two capital bids were in progress: the FE Capital Transformation Fund bid with an outcome due at the end of the month, and the T Level Wave 4 bid. The Director of Finance & Corporate Services reported that Governors had been notified that Chair's action had been used to approve the submission of the T Level bid as the timing of the submission, including the requirement to include architect's costings, did not align with the F&GP Committee meeting date. The Principal added that to prevent this situation occurring again the Committee would receive at its June meeting a list of the planned projects with an indication of costings so that these could be approved in principle by the Committee and then the Board. If the approved bids were successful then Committee and Board approval would be sought for each project. Governors enquired how T Levels were being received and the Principal noted that national talk regarding extending BTECs risked undermining the position of T Levels as they were trying to become established. The DfE had visited the College this week and were pleased with FCoT's provision. The Principal advised that the VI Form College Farnborough has a significant Business BTEC provision and the College would continue to offer the BTEC in this area as although there was a T Level in Business this was not as popular and may not even run due to poor numbers. The Science T Levels were picking up numbers slowly and the Digital and Childcare T Levels were doing very well. The Principal added that work was taking place to map BTECs against T Levels with low numbers.

Work was also underway to prepare the new Property Strategy for the College with three key strategic strands: curriculum delivery support; carbon reduction and sustainability; condition/efficiency improvements. Hillside Environmental Services had been commissioned by the College to produce an Energy Decarbonisation Plan and this would be incorporated into the Property Strategy.

*The next section was a confidential minute with restricted circulation.*

## **2.8/21.22 Banking & Treasury Management Termly Report**

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The Committee received the termly report noting that the forecast for earned interest in 2021-22 was £28,000.

## **2.9/21.22 Bad Debtors**

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The Director of Finance & Corporate Services presented the request for the write-off of a bad debt totalling £2,573.07. Governors noted that the student had enrolled on a Level 3 course and was a single parent on benefits, and enquired as to what support was available for such learners. The Director of Finance & Corporate Services explained that fees were waived for learners in receipt of certain benefits or for the first Level 3 qualification, but that neither

applied in this circumstance. The Principal added that recent changes to regulations meant that the student would now qualify for support if they were to return to College. It was agreed that although the bad debt should be written off, the circumstances of this particular case should be looked at again to see if the student could re-join the College to take the qualification under new funding rules. The Principal also agreed to bring a paper to the next meeting on the range of support available to learners such as bursaries.

The Committee approved the writing off of the bad debt of £2,573.07.

**Actions:**

- Principal and Director of Finance & Corporate Services to look at the circumstances of this case to see if a return to College was possible under new funding rules.
- Principal to present student financial support paper to the June 2022 F&GP Committee.

**2.10/21.22 Gender Pay Gap Report**

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The Principal presented the paper in the absence of the Associate Director of Human Resources. She reminded Governors that the College has been required since 2017 to publish gender pay data on its website. To help understand the gender pay gap an analysis of the mean pay of male and female employees in similar roles at the College had been conducted. This analysis showed that the gender pay gap in favour of male employees occurred within support staff and technicians. But whilst it was seen that a technician in Construction was paid more than a technician in Catering, the roles were not the same as there were increased levels of responsibility in the Construction technician's post such as training students which carried a premium. It was also noted that Construction attracted male employees and Catering female. There was also a disparity in the mean pay of Support Staff Managers but again when the roles were investigated they were very different and could not be directly compared. The adoption of the Real Living Wage at the College would raise the salary of Nursery, Refectory and Cleaning staff which was a predominantly female workforce which would help to reduce the gender pay gap across the College. Some departments such as Security (male) and the Nursery (female) were single sex groups and so there were no comparator groups. Turning to the payment of bonuses the Principal advised Governors that bonuses were paid for exceptional performance above the job description and thus was not related to gender, although she acknowledged that it might be easier for male staff to work longer hours than female staff.

Governors noted the societal problem that roles that attract higher pay such as the technician's role in Construction and Engineering or working in Security did not attract female applicants and the College should challenge itself to break gender stereotypes although there were no quick fixes. The comparative data with other local colleges given in Appendix 3 of the report was welcomed as it gave context to FCoT's position which was a favourable comparison. Having already discussed recruitment and retention of staff earlier in the meeting it was noted that addressing gender imbalances should also be factored into staffing solutions. The Principal agreed and noted that promoting an apprentice technician's role in Construction to female students would be one such idea.

**2.12/21.22 Health and Wellbeing Board Minutes**

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The Principal introduced the minutes and noted the results of a Pulse Survey regarding the expectations of answering emails outside normal working hours. The majority of staff did not feel that there was an expectation to answer emails. The use of the Employee Assistance Programme had increased with the past 12 months seeing an increase in helpline usage. The Programme was seen as an excellent free entitlement for staff. Dr Oduneye had presented to SMT on Shell's wellbeing model and this had been well received and would be taken into account when refreshing the College's approach. Other issues raised at the meeting had included alternative swimming provision during the closure of Rushmoor Leisure Centre, provision of more cycling racks and increased staff utilisation of the College's gym facilities.

**2.13/21.22 Confidential minutes of the meeting held 25<sup>th</sup> November 2021**

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The Part 2 minutes of the last meeting were accepted as a true and accurate record and would be signed by the Chair.

**2.14/21.22 Remuneration Strategy**

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This item was a confidential minute with restricted circulation.  
*Mr Malins left the meeting towards the end of the item.*

**2.15/21.22 Any confidential matters of Report**

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It was noted that a confidential item of business would be brought to the April Board meeting.

**2.16/21.22 Any Other Business**

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No matters were raised.

**2.17/21.22 Date and time of next Finance & General Purposes Committee meeting**

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Thursday 23<sup>rd</sup> June 2022 at 5pm.

*The meeting closed at 6.31pm*

Minutes agreed as being a true and accurate record by the Chair.

Signed:.....

Dated:.....

**Summary of action points**

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Item	Action
2.9 Bad Debtors	<ul style="list-style-type: none"><li>Principal and Director of Finance &amp; Corporate Services to look at the circumstances of this case to see if a return to College was possible under new funding rules.</li><li>Principal to present student financial support paper to the June 2022 F&amp;GP Committee.</li></ul>