

# Resources Committee

Tue 18 June 2024, 08:30 - 10:00

Over Teams

## Attendees

### Board members

Dave Vasse (Principal), Usha Puri-Dewage (Member), Andy Boucher (Member), Hussa Al-Mima Ali (Director of Finance), Rosali Pretorius (Committee Chair), Kay Sandford-Beal (Director of Governance), Nazerine Noorani (Member - Teaching Staff)

Absent: Harriet Muxlow (Head of HR), Tracey Inverary (Member), Philippe Chaudhry (Member)

Over Teams

## Meeting minutes

### 1. Welcome, apologies for absence and quoracy

To welcome all to the meeting, to note apologies and to confirm that the meeting is quorate.

The Chair welcomed all to the meeting. Apologies had been received from Tracey Inverary and Harriet Muxlow. Philippe Chaudhry was absent but no apologies had been received. The meeting was confirmed as quorate.

#### Information

Rosali Pretorius

#### 1.1. Confidentiality Statement

All matters discussed during this meeting are confidential until the minutes are approved. Any items recorded under Reserved Business remain confidential after the Reserved Business minutes have been approved.

The Chair drew members' attention to the confidentiality statement.

#### Information

Rosali Pretorius

### 2. Declarations of interest

Members to declare conflicts of interest against any item on the agenda.

None were declared.


#### Information

Rosali Pretorius

### 3. Minutes of the previous meeting of the Resources Committee on the 12th March 2024

To approve the minutes of the last meeting on the 12th March 2024 as a true record.

**DECISION:** The minutes of the previous meeting on the 12th March 2024 were **approved** as a true record.

 3. Chair approved Minutes\_Resources Committee\_120324.pdf

#### Decision

Rosali Pretorius

### 4. Matters Arising

To monitor the progress or completion of actions not covered elsewhere on the agenda.

The Chair referred to the Action Log, highlighting those items that had been completed in advance of the meeting and those to be covered on the formal agenda. Updates were provided verbally by the Principal on the following actions:

4.1 DV has followed up with the IT company as suggested by a Resources Committee Governor and a meeting had been scheduled. Previously the college had hoped that Jisc could have been approached to

#### Information

Rosali Pretorius

support the college's future plans for IT infrastructure, with the use of their digital elevation tool. However, this was not yielding the desired results. Discussions would take place with the alternative IT provider, whose focus is more towards AI cloud based solutions, to ascertain if they could support in providing an alternative viewpoint in the provision of the college's IT.

**Q - Governor:** Are you looking at other companies or taking this step by step at the moment?

**A - DV:** We are currently taking potential progress step by step. Any gaps in our IT provision are driven by budget, but we are aware that we do not yet have a costed IT strategy. We require the competency of a large organisation with the limitation of a small budget. There may be opportunity to look at our internal staffing structure in time to support appropriately.

Governors and the Principal discussed the importance of considering the future state of the college in developing the IT strategy for the classroom of the future, to maximise effective use of space and resources.

All agreed that this had its current challenges with a general election in the coming weeks. The Principal assured Governors that IT investment was strong for the next 12 months.

The Chair suggested that IT be a standing item on each agenda for the committee.

**ACTION: KS to add as a standing item going forwards.**

4.2 DV shared the challenges around potential additional funding opportunities during a period of purdah, but emphasised that the college needed to be ready to make a bid for improvement funding, once the funding bid criteria was made available.

4.3 The new estates manager had been tasked with pursuing potential future funding from the Refit accelerator. Once the eligibility criteria for Condition Improvement Funding (CIF) had been published, the college would ascertain from the Refit Accelerator if they would consider supporting a project of this size. It was also noted that the Refit Accelerator could also provide support in the preparation of funding bids.

**ACTION: DV to report progress to Resources Committee at next meeting.**

 4. Action log Resources Committee 120324 updated.pdf

## 5. Management Accounts April 2024

## Discussion

Hussa Al-Mima Ali

To consider and note the College's Financial Health Assessments and Financial Dashboard.

The Chair thanked the Finance Director for her report, illustrating the current and forecast position and asked for highlights of key points in the Management Accounts. HA explained that the management accounts reflected until the end of April 2024 due to a shortage of staff within the Finance team. Updates including May 24 would be emailed in due course to members of the committee.

The accounts illustrated good financial health, projecting an end of year forecast of £3k surplus. HA explained that the cash balance was being managed, with currently 62 days in hand but with 32 forecast by the end of the financial year.

**Q - Governor:** Is this normal and is this a risk that we should consider?

**A - HA:** We forecast that we would be in this position. The cash balance is reviewed monthly and we still have over 30 days cash in hand.


**Q - Governor:** Do we anticipate that this cash balance with build up going forwards?

**A - HA:** We do not anticipate that this will increase immediately as we need to raise more income and reduce expenditure and therefore need to make more savings.

The Principal highlighted the need to maintain the target of a surplus at a rate of 0.5% of income to balance the current range of needs across the college. Governors were in agreement.

The Finance Director emphasised that the college was on target to generate the surplus by the end of the financial year, but that there are still 3 months until the final figures will be confirmed.

 5. Management Accounts April 2024.pdf

 5.1 Management Accounts to Period 9 April 2024 Commentary.pdf

## 6. Proposed Budget 2024-2025 and projected forecast 25-26

Decision

Governors to review, approve and recommend the proposed budget for 2024/25 and the projected forecast 2025/26 to the Corporation for approval.

Hussa Al-Mima Ali

HA thanked the Principal for all support in the creation of the projected budget and forecast. All details of areas of the income and expenditure budgets had been detailed, including inflationary increases, staff increments and the capital budget. HA explained that funding for the 14-16 provision is not guaranteed and funding for 16-18 year olds is based on numbers from the previous year.

The Chair queried a dispute in line 24 of the report, regarding potential monies owed to Walthamstow council. HA had retained the supporting paperwork which clarified that the amount owed to the council was around £55k. This amount had been accrued in the current liabilities.

Governors advised that the Finance Director write to the Pensions Company to bring the situation to final settlement and inform Governors should legal support be required.

### **ACTION: HA to follow up and report back to Committee**

A Governor advised that through his network, Linklaters had offered pro bono legal work to support the college and the community in general.

The Chair asked the Principal and Finance Director what they considered to be the key risks. The following were considered as such:

National negotiations around staff pay

Failure to recruit efficient class sizes for T levels (a shortfall would impact on a proportion of overall funding)

Monoux High School (although funding is secure for the forthcoming year and the college is also viewed as a trusted provider)

Auto-enrolment in the pension scheme - many staff choose to opt out of the pension scheme. With the recruitment of greater numbers of new staff, this trend may change, resulting in increased employer contribution.

Ongoing building maintenance.

The Committee **agreed to approve** the Proposed Budget 2024-2025 and projected forecast 25-26 for recommendation to the Corporation for approval.

 6. Budget 202425 and Forecast 202526 with Balance Sheets.pdf

## 7. Review of updated College Finance Regulations

Decision

Governors to review and approve the updated Finance Regulations.

Hussa Al-Mima Ali

An updated version of the college's Financial Regulations – had been provided to Governors in advance of the meeting.

The Chair advised the inclusion of financial targets within the document as this was considered good financial hygiene.

**Q - Governor:** Do we foresee, post election, any impact on funding or VAT?

**A - DV:** The spending review is likely to be the major threat which could impact the amount of funding the college receives per learner.

The new Finance Director advised that the Financial Regulations should have been updated a year ago, to reflect reclassification and ONS requirements. It was acknowledged that this was a huge piece of work. HA informed governors that all the key financial rules and updates had now been included, but more work was required to ensure consistency and accurate cross-referencing throughout the document.

A Governor suggested that Linklaters could provide pro bono support to review the document, as resource within the college finance team was limited. A new Management Accountant, Omar Faruque had only just joined the Finance Team. HA advised that an external reviewer would need to be knowledgeable of the specific FE sector requirements.

The Principal also advised HA to tap into the AOC Finance Directors' network to obtain guidance on any

changes in tender limits


**ACTION:** HA

**Q - Governor:** have we done all we should to ensure the college is managing public money appropriately?

**A – HA:** Yes, everything required has now been included.

**ACTION:** AB to request pro bono support from Linklaters and next version to come back to Resources Committee in March 2025.

 7. Financial Regulations – Updates.pdf


 7. Financial Regulations 2023 24.pdf

## 7.1. Report on future Accounting Software

To provide governors with information regarding savings achieved on future accounting software.

HA provided the key highlights of her report regarding the upgrade of the accounting software which would generate significant savings of upfront costs - a reduction from £50k to £34k, and a reduction in the annual fee from £18k to £11k. The upgrade would also allow for consistency and continuity throughout the year. The ESFA requires 6 years of data, which could be accommodated. The system would go live in January 2025.

The Chair thanked HA for her report and successful negotiations.

 7.1 Finance System.pdf

## 7.2. Key Estimates and Judgements for the Financial Statements

Governors to review and approve the key estimates and judgements for the financial statements for recommendation to the Corporation.

Further to the auditor recommendations, Governors reviewed the key estimates and judgements for the financial statements and **agreed to recommend to the Corporation for approval.**

**ACTION:** KS to add to 020724 Corporation agenda.

 7.2 Key Estimates and Judgements for the Financial Statements.pdf

## Information

Hussa Al-Mima Ali

## Decision

Hussa Al-Mima Ali

## 8. Risk Management Report

Governors to note the most recent Risk Management Report.

The committee reviewed and noted the updated Risk Register.

**Q - Governor:** Are there any updates on how the unused college land might be developed?

**A: DV:** There is no progress on the land sale. The London Borough of Waltham Forest are currently looking for increased provision for students with higher needs and consider Monoux to be an effective provider. We may therefore be part of their longer term strategy for a more coordinated approach towards borough provision.

 8. SGMC\_Risk Register\_12\_June\_2024.pdf

## Information

Dave Vasse

## 8.1. Resources Committee Related Risks

Members to discuss and note any committee related risks for escalation to the Corporation.

Through discussion, the Committee agreed that there were no additional risks to escalate to the Corporation.

## Discussion

Rosali Pretorius

## 9. Response to Staff Pulse Surveys

Governors to receive a written report from the Head of HR.

The Head of HR was not able to attend due to planned annual leave. A short summary of survey questions had been provided to Governors in her absence. The surveys were still ongoing and results had not yet been presented to SLT, to allow for the analysis and interpretation of emerging themes.

## Information


Written Report Submitted By  
Harriet Muxlow

The Chair considered the questions to be strong and well considered and looked forward to receiving results after consideration by SLT.

**ACTION:** DV to include further information in the update to the Strategic Plan at the July Board meeting.

The Principal also shared a desire to have greater focus on HR, staff and their needs in next year's Resources Committee discussions.

**ACTION:** DV, RP & KS to plan agendas appropriately

 9.1 Staff survey report - Resources committee - June 2024.pdf

 9.2 Staff Survey Categories and Questions.pdf

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## 10. Annual Review of Committee Terms of Reference

### Discussion

To review the Committee's terms of reference to ensure that they are fit for purpose.

Rosali Pretorius

Members reviewed and **approved** the terms of references, which had minor amendments. There were no further questions.

 10. Resources ToR June 24 for Review.pdf

### 10.1. Scheme of Delegation

### Discussion

Governors to review the Schedule of Delegation before recommendation to the Board for approval

Rosali Pretorius

Governors reviewed the draft Scheme of Delegation and had no additional comments.

 10.1 SCHEME OF DELEGATION v3.pdf

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## 11. AOB

### Information

To discuss any urgent business not covered elsewhere on the agenda.

Rosali Pretorius

None.

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## 12. Date of Next Meeting

### Information

To confirm the date of the next meeting as Tuesday 12th November 2024 at 8.30am over Teams.

Rosali Pretorius

The date of the next meeting was confirmed as above.

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## 13. Meeting close

The Chair thanked everyone for their attendance and contributions. The meeting closed at 9.45am.