

**CORPORATION OF HULL COLLEGE
FINANCE & RESOURCES COMMITTEE**

**Public Minutes of the meeting
held 5th December 2022 via Teams**

Present: Simon Alsop, Governor Tom Dannatt, Governor (Chair) Debra Gray, Principal/CEO Rob Lawson, Governor (Chair)	
In Attendance: Nicola Dimond, Vice-Principal (Human Resources) Gino Tommasi, Vice-Principal (Finance & Resources) Lesley Venables, Interim Director of Governance	
13	APOLOGIES FOR ABSENCE Apologies for absence were received from John Duncan, Joanne Gibbons and Kay Moffitt (Governors).
14	DECLARATIONS OF INTEREST There were no declarations of interest in relation to any agenda item.
15	APPOINTMENT OF CHAIR Resolved – That Tom Dannatt be appointed as Committee Chair for 2022/2023.
16	MINUTES Resolved – That the minutes of the meeting held on 31 st October 2022 be approved as a correct record and signed by the Chair
17	MATTERS ARISING Governors received a progress report on the actions identified at the previous meeting. The updated risk register and risk management policy (item 1.4) had been recommended by the next Audit Committee for approval by the Corporation at its December meeting. The Chair reported that he had met with the VP(F&R) to discuss potential changes to higher level reporting in the management accounts (item 2.1 AP1), which would be developed during the remaining part of the academic year. Governors were asked to inform the Chair if they had any additional requests to be accommodated. Governors were advised that, as the College was still in intervention and due to the recent reclassification of FE colleges by the Office for National Statistics, an updated set of Financial Regulations would be brought to the June 2023 meeting, which would take account of any changes to national guidance. All other actions had been completed or were featured on the agenda.
18	PERIOD 3 MANAGEMENT ACCOUNTS Governors received for information the P3 Management Accounts. This matter is the subject of a separate and confidential minute.

19	<p>Indicative Outturn 2021/2022</p> <p>The VP (F&R) presented a report on the indicative outturn for 2021/2022.</p> <p>This matter is the subject of a separate and confidential minute.</p>
20	<p>Purchase Order Monitoring Levels</p> <p>Governors received for information a monitoring report on purchase orders. From a total of 324 purchase orders raised in October and November 2022, no orders required Corporation approval as were all below the £50k threshold.</p> <p>An additional report had been created to provide further assurance to the Committee on suppliers with which the College engaged for FY23, identify a list of most frequently-used firms and any trends/efficiencies/risks. Only one purchase order required Corporation approval from this report.</p> <p>The next development would be to present all non-pay and capital expenditures that complied with the financial regulations and confirming that the College had obtained value for money. This would comprise a report on invoices received without purchase orders, the majority of which related to items such as utilities, awarding body invoices (exams) and subcontract invoices.</p> <p>A more robust purchase order approval system had been instigated within the Finance Department and was operating effectively. The Committee was advised that future reports would provide information on procurement and financial compliance.</p>
21	<p>Bad Debt Report</p> <p>The VP(F&R) presented the bad debt report.</p> <p>This matter is the subject of a separate and confidential minute.</p>
22	<p>Financial Regulations</p> <p>The VP(F&R) reported that, in view of the recent decision to reclassify FE colleges to the public sector, any review of the Financial Regulations should take into account any changes to DfE/ESFA guidance. Consequently, it was proposed that an updated version of the Regulations would be presented to the June 2023 meeting for recommendation to the Corporation.</p> <p>Some changes had already been implemented, such as an improvement to depreciation arrangements from 6-10 years to 3-5 years. These had not been implemented as yet and the effective implementation date was June 2023 with retrospective application for only FY23 (August 2022 to July 2023). It was noted that it would be appropriate to accompany this with a tightening of lower-level approvals, which were often more numerous and could have a substantial impact on the College's financial position. The VP(F&R) confirmed that each non-pay expenditure allocation was currently being examined as part of the business and curriculum planning cycles.</p> <p>The Committee was mindful that the majority of all expenditure (72%) was on pay and it was important that management had a detailed overview of staff costs and class sizes. The Principal recognised that this figure was higher than it should be and was above sector norms. Reporting suites were currently being developed to enable earlier intervention in areas in difficulty, which should enable the pay-income ratio to be reduced. A senior member of the HR team was also reviewing contractual arrangements for all staff and small class sizes in areas such as HE were being examined.</p>

23	<p>Human Resources & Welfare Update</p> <p>The VP(HR) provided an update on HR and welfare activities in Term 1. A Staff Council had been established and the focus of its initial meeting would be staff well-being and welfare, encouraging staff to pro-actively implement initiatives generated by the Council and the wider College Team. It was felt that this would improve cross-College communication.</p> <p>A full review and re-write of all HR policies was being undertaken and, once completed, training would be provided to the Wider Leadership Team around investigating disciplinary and grievance allegations, managing performance and conducting difficult conversations with staff. Policies would be accompanied by clear guidelines and updated HR documentation to support the operational management of vacancies, holidays, agency staffing and absences.</p> <p>A suite of reports was being developed in conjunction with MIS to support delivery of a number of HR KPIs, such as absence management, appraisals, recruitment and retention.</p> <p>The College's recruitment process had been updated following the publication of the latest Keeping Children Safe in Education Guidelines in September 2022. This includes carrying out online searches on all candidates shortlisted for interview and the updating of the Safer Recruitment Training package.</p> <p>All staff were now required to undergo DBS checks on a rolling 5 year basis.</p>
24	<p>PAY AWARD 2022/2023</p> <p>The VP(F&R) presented proposals for a pay award for 2022/2023.</p> <p>This matter is the subject of a separate and confidential minute.</p>
25	<p>ANY OTHER BUSINESS</p> <p>ESFA Cash Sweep</p> <p>The VP(F&R) reported to the committee on the ESFA Cash Sweep. This matter is the subject of a separate and confidential minute.</p> <p>ONS Reclassification</p> <p>The Principal advised that the Office for National Statistics had recently reclassified FE colleges from the private to the public sector. As yet, the full implications were unclear, but approval was now required from the ESFA for items such as capital borrowing and any colleges advertising for Principals/CEOs with salaries in excess of £150k. The decision had been added to the College's risk register and further updates would be provided to the Corporation when available.</p> <p>ICO Data Breach</p> <p>Governors were informed of a data breach within a curriculum area which had resulted from the wrong privacy settings being attached to a Teams group.</p> <p>On discovery of this error the Data Protection Officer had recommended that the matter should be reported to the Information Commissioner's Office as the data breach involved some information on protected characteristics of learners. This had been completed and the ICO had confirmed that it would be taking any further action due to the speed of the response and action taken by the College.</p>

	<p>A full data cleanse had now been undertaken and it was not now possible to have a publicly-accessible Teams group. Training on GDPR would be provided for all staff as part of the CPD programme and an audit of any such data would be carried out every 2 months to ensure compliance.</p> <p>The Committee welcomed the openness of the report and fully supported the actions taken by the management team.</p>
	<p>Date of Next Meeting 8th March 2023</p>

Approved by the Finance & Resources Committee at the meeting held on 8th March 2023.

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