

MINUTES

Directorate: Governance

Minutes of: Resources Committee

Date: 19 June 2019

Time: 12.30

Venue: Executive Meeting Room, Uxbridge Campus

Present:

Alasdair MacLeod	(AMcL)	Governor (Chair)
Laraine Smith	(LS)	Group Principal & CEO
Steve Owen	(SO)	Governor
Sally Westwood	(SW)	Governor

In attendance:

Imtiaz Aziz	(IA)	HR Director (<i>present until the end of item 10</i>)
Pat Carvalho	(PC)	Principal and Deputy CEO
Darrell DeSouza	(DDS)	Vice Principal Uxbridge
Jayesh Patel	(JP)	Head of Finance
Tracy Reeve	(TR)	Clerk to the Corporation
Shane Woodhatch	(SW)	Group Director Finance & Resource Planning

1. Chair's Agenda Item

The Chair did not have any matters to raise under this item.

2. Apologies for absence

No apologies had been received.

3. Notification of any urgent items members may wish to raise under Any Other Business

There was no other business.

4. Notification of Interests Members may wish to declare relating to any item

No interests were notified.

5. Minutes of the Resources Committee meeting held on 13 March 2019 and the extraordinary meeting held on 16 May 2019

- 13 March 2019: SW highlighted an error under item 8 on page 3 'Mid-Year Forecast' under Expenditure: the budget should read £33,975,000 (the last 3 zeros had been omitted). Subject to this amendment the minutes of both meetings were approved and signed by the Chair.

6. Matters arising from the minutes of the Resources Committee meeting 13 March 2019 and from the extraordinary meeting on 16 May 2019

• **Agency working arrangements**

HR Director (IA) confirmed that after further discussion with Resources Committee Governor SW, it had been agreed that the whole of the HCUC Group would move to the traditional agency model as used at Uxbridge. IA would meet Protocol National on Tuesday 2 July 2019 to take this forward.

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There were no other matters arising that were not already covered by the agenda.

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7. Human Resources Update Report – FOR INFORMATION

The HR Director (IA) presented the standing Human Resources update report to the meeting.

• *HR Data Dashboard*

The meeting received the HR dashboard which reported on a number of key HR metrics for 2018/19 year-to-date (noted as 30 April 2019): staff headcount and FTE by College; staff turnover; equality data of the HCUC workforce; recruitment activity; and sickness absence rate. Governors were reminded that this report now included data over a three-year period to enable Governors to monitor any trends. Governors noted the overall headcount (not FTE) for HCUC for permanent staff YTD was now 716 established staff (221 at HC and 495 at UC), which reflected a steady decline in numbers during the post-merger reorganisation period. The average headcount had been 742 since 2016/17. The current HCUC staff turnover figure for year-to-date 2018/19 was noted as 11%; this was below the AoC benchmark of 17.4%. Governors were reminded that this figure would rise before the year-end as a number of teaching staff would resign and move on at the end of the academic year. The turnover rate by age band of employees was also noted. The equality and diversity (E&D) data of staff was considered and IA highlighted that the current BME figure at each of the colleges was: HC 47% (an increase of 1% on the prior year figure), UC 37% (an increase of 2% on the 2017/18 figure), overall 40% for HCUC. Governors were pleased to note that both Colleges were above the College target of 36% for BME representation which had been raised by 1% to reflect GLA figures for economically active BME individuals within the London population. The gender profiles for each of the Colleges were noted as: HC 73% female and UC 64% female. The representation of disabled staff was 5% at each of the Colleges; IA informed the meeting that there was an element of under-reporting within this and he believed the actual level to be nearer 9-10%. The meeting discussed the recruitment activity that had taken place during the academic year and noted the ethnicity, gender and age breakdown of applicants and appointees. Governors sought, and were given clarification that a 'recruitment campaign' might include several vacancies. The number of internal promotions was commended by the meeting this showed good staff development.

Governors were pleased to note that the absence rates were below the AoC benchmark and College target of 5.8 days in all categories of HCUC staff for the year to date 2018/19 (this was on a rolling 12-month period to January 2019); the HCUC figure overall was 4.9 days. The meeting was pleased to note the high completion rate for Prevent and Safeguarding Training of staff with a figure of 99% at each of the individual colleges.

• *Employee Relations*

The following Human Resources casework activity was noted:

- There were two cases of formal action being taken against teaching staff to deal with ongoing poor performance. One of these cases had now resigned and left HCUC.
- Seven staff formal grievances had been satisfactorily dealt with; two cases had involved using mediation as an alternative. Governors sought, and were given, assurance that there was no common thread as this number seemed quite high.
- HR had dealt with 6 cases where staff had raised concerns about contractual issues.
- HR had supported managers in dealing with 45 flexible working requests. Governors sought clarification on why this number was so high and were informed that for 2018/19 there had been an aim to get consistency across HCUC with regard to flexible working arrangements. Previously there had been a number of staff with flexible arrangements that were not formally arranged; this change had been part of getting the culture right across the whole of HCUC.
- One former member of staff had three tribunal claims lodged against the College and the date for the merits hearing had been set for 5 days starting on 21 February 2020. In addition, the College had received notification of an employment tribunal claim alleging disability discrimination claim from a former casual member of staff; the hearing date was set as September 2019.
- Four members of staff had been issued with informal guidance about conduct issues.

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- Three staff had their employment terminated during their probationary period due to poor performance. In addition, five staff had their probationary period extended. Governors sought clarity on whether these five 'extended staff' would ultimately be confirmed in post. IA assured the meeting that the aim was that they would get to the required standard given a little more time and some additional support. IA informed the meeting that he had reviewed a number of cases where people at HCUC had failed their probationary period to identify anything that the College could do differently during the recruitment process. One thing that had been highlighted was that sometimes staff transferring into the FE sector from working with a Higher Education Institution sometimes 'struggled' with the change in culture. In future any appointees coming from HE would be invited to spend some time in the College so that they could experience the FE environment before deciding whether to accept the job.
- HR supported managers in dealing with two appeals arising out of the restructuring at HC.
- HR had dealt with seven disciplinary cases and there were four active cases pending.
- HR had supported management in dealing with 29 cases related to absence management.

• **Staff Focus Group Feedback**

The meeting noted the summary feedback from the Staff Focus Groups that had been held in May 2019 (8 May at HC and 15 May at UC) for 32 support staff, 16 at each College. The range of topics covered, were as follows: Key activities of their roles, time and barriers to fulfilling the job role; Communications; interface between support and curriculum; Learner impact/ culture & ethos; Customer service; Quality (SAR process); internal career development and staff training; Resources provided to support their roles; Leadership and Management; team working; HR Department strengths and areas for improvement; HCUC College values and valuing staff.

The positive feedback and the areas for improvement were highlighted in the report to the Resources Committee meeting and were discussed. The meeting was pleased to see that staff were positive about the support that they received from their line managers with teamwork being identified as a strength. Whilst the HR Department was described as responsive, staff were still concerned about the HR system and MIS systems (talon and EBS) as a potential barrier to them fulfilling their roles. Governors took the reports containing detailed staff feedback and the management responses as read. The Chair sought additional assurance as he highlighted the numerous reference to system issues as well as the impact of poor learner behaviour on support staff. DDS confirmed that the 2018/19 year had some challenging cohorts of students within it in terms of behaviour. He informed the meeting that SLT had identified an ongoing training need for support staff to help them challenge and deal with poor learner behaviour; at the moment some staff deferred to security staff and believed it was the role of security to challenge poor behaviour rather than other staff. DDS confirmed that there would be additional sessions for support staff at the Whole College Training Day in July to help them tackle poor learner behaviour. Governors were given assurance that action in relation to the suggested areas for improvement was being taken and was being monitored by the Senior Leadership Team.

The Human Resources Report was RECEIVED.

ITEMS FOR DECISION/ APPROVAL

8. Draft Budget 2019/20 and Plan for 2020/21 and 2021/22

The GDFRP (SW) presented the report to the meeting and confirmed that this final version of the budget had been considered and agreed at the College Senior Leadership Team (SLT) meeting during the previous week.

• **HCUC Forecast Final out-turn 2018/19**

The revised forecast reported an operating surplus for the period of £710,000 compared to the previous forecast surplus of £750,000 (negative variance of £40,000).



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The Head of Finance (JP) and the GDFRP (SW) highlighted the following significant points:

- **Income:** Overall negative variance of £285,000 against the forecast of £46,953,000.
 - *ESFA 19+ funding:* an adverse variance of £57,000 against the forecast of £5,349,000 due to lower delivery than planned.
 - *Agency other funding:* a positive variance of £42,000 due to increased high needs support funding from Hillingdon (lower claw-back than forecast).
 - *HEFCE Funding – fees:* an adverse variance of £76,000 against the forecast of £1,184,000. This was largely due to a processing error in relation to prior year Higher Education (HE) withdrawals which had not been anticipated at the mid-year reforecast.
 - *Tuition Fees – home:* an adverse variance of £70,000 against the forecast of £1,012,000. The same processing error in relation to HE had affected this budget line.
- **Services and other activities:** This was showing an adverse variance of £32,000 against the forecast of £74,000; the annual catering contract contribution had been affected by lower Refectory performance than forecast.
- **Employer Services Income:** An adverse variance of £46,000 (against the forecast of £755,000). School Link provision had been included in error but this had been offset by higher WBL income than planned. In addition, the income and agency costs for the Strategic College Improvement Fund (SCIF) had not been included at the mid-year review.
- **Employee Costs:** A favourable variance of £289,000 (against the forecast of £31,606,000) due to posts filled later than anticipated and use of agency staff covering vacant academic posts. The meeting noted that within this there was an adverse variance of £127,000 for redundancy costs from further restructuring at Harrow College. The savings on permanent security staff had been offset by agency costs to cover vacancies.
- **Expenses:**
 - *Schools Costs:* A favourable variance £105,000 against forecast of £2,489,000 due to savings on exams, other and materials.
 - *Marketing and Student Services:* A positive variance of £42,000 due to a lower spend on ID cards, advertising and summer enrolment campaigns. This had been partly offset by higher equipment maintenance needed within the LRC for Uxbridge and Harrow.
 - *Estates:* An adverse variance of £194,000 against the forecast of £3,414,000. This had been due to higher costs for unforeseen response maintenance – intruder alarm call outs, fire alarm call-outs, faulty doors and boiler repairs. Governors sought, and were given, confirmation that this could not have been anticipated.
 - *Finance:* A favourable variance of £157,000 against the forecast of £1,936,000 mainly due to a release of contingency included to reflect possible risks around a new Finance Team.
- **Depreciation:** An adverse variance £152,000 against the forecast of £4,392,000; reflecting a final review of Harrow assets which included depreciation of assets under construction which was not anticipated at mid-year.
- **Total Overheads:** A positive variance of £254,000 against the forecast of £47,074,000
- **Balance Sheet:** Cash was showing a positive balance of £3,367,000 at £19,367,000 (against a forecast of £16,000,000) due to lower capital expenditure. Fixed Assets were showing an adverse variance of £571,000 against the forecast of £96,214,000 due to the timing of capital expenditure. The meeting noted that £1,100,000 was included in 'other creditors' relating to 2017/18 delivery. Reserves were at £52,920,000, which was £597,000 above forecast. All ratios were strong: a cash day in hand figure was at 139.1 compared with a forecast of 114.4; the 'Outstanding' SFA financial health rating would be maintained. GDFRP informed the meeting that the College score on the SFA financial health scorecard was 290, out of a maximum 300; so this was a very strong 'outstanding' score.

Budget 2019/20

An operating surplus for the period was now budgeted at £1,028,000 compared to the

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(approved in February 2019) of £1,300,000. Members were assured that the College would maintain its SFA financial health rating of Outstanding, based on the budget as presented. GDFRP highlighted the following significant variances to the Plan:

Income

- **ESFA 16-18 Funding:** A positive variance of £564,000 as the ESFA allocation had been for 5,942 learners rather than the 5,831 achieved in 2018/19. SW confirmed that the balance of the additional allocation had been placed within corporate services and would be released to each of the Colleges if enrolment was above forecast. A positive variance of £275,000 on the ESFA Conditional Funding as the budget was based on fully eligible learners including an anticipated 20% clawback.
 - **Agency Other Funding:** An adverse variance of £309,000 on the planned ALS Funding income with the budget now set at £6,102,000 to reflect an increase in bursary funding offset by lower than expected Element 3 funding (which would be offset by savings in staff costs).
 - **HEFCE Funding (Grant):** A negative variance of £48,000 as the grant awarded for targeted allocations was lower, mainly due to lower student numbers.
 - **HEFCE Funding (Fees):** An adverse variance of £101,000; the plan had assumed 5% growth on mid-year forecast which erroneously included prior year withdrawals.
 - **Tuition Fees:** An adverse variance of £69,000 for the same reason as above.
 - **Services and other activities:** An adverse variance of £81,000 due to lower than planned income from lettings.
 - **Employer Services (now badged as West Met Skills):** A positive variance of £66,000 against the planned £740,000.
 - **Short courses:** Positive variance of £71,000 to reflect additional courses planned for Hair and Beauty, Engineering and Business (partly offset by higher staff costs and non-pay costs).
 - **School Link – U19:** Adverse variance of £79,000 to reflect discontinued courses.
 - **SFA Contracts:** This was showing a positive variance of £44,000 against the plan of £790,000. Work Based Learning delivery would be based on growth of 8% on current provision, tuition fees based on 5% of anticipated levy income and new starts for Construction provision at Harrow.

Expenses

• Employee Costs

The budget included a consolidated 1% increase for all staff not on protected salaries. The Principal reminded the meeting that as funding levels were not increasing the College could only fund this annual salary increase by looking for efficiencies. It also included a 1.8% increase in employers LGPS pension contribution from 1 August 2019 (at a cost of £177,000) and a 6.52% increase in TPS (Teachers' Pension Scheme) contributions from September 2019 (at a cost of £745,000). The meeting was reminded that the TPS increase was partly offset by an anticipated grant from the DfE to fund the increase. The budget for employee costs was £33,685,000 against the planned £33,359,000 (adverse variance of £327,000). The meeting was reminded that the budget assumed that all posts would be filled from the start of the year which would provide a contingency factor when vacancies occurred. The meeting noted the deletion and creation of posts by department. It was noted that the average proportion of agency teaching was now budgeted at 7% across all the schools; the final outturn 2018/19 had been circa 10%. The meeting noted that staff costs as a percentage of income in the 2019/20 budget were 64% which was the same as in the plan. SW confirmed that the FRS17 costs were as indicated by the January 2019 pension report.

• Non-Pay Expenses

SW confirmed that all curriculum expenses (staffing and non-staffing) had been rigorously challenged through the course costing model. Total expenses including depreciation were budgeted at £15,747,000 compared with the planned £15,022,000.

- **Schools:** Positive variance of £33,000 against the plan of £2,561,000 due to exams and materials costs to meet the course portfolio.

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- *Marketing & Student Services:* Total adverse variance of £74,000 against the plan of £2,481,000. It was noted that the majority of this figure was due to an increase in the Advanced Learner Loan Bursary which was in line with allocations from the ESFA.
- *Human Resources:* An adverse variance of £26,000 against a plan of £548,000 due to reclassification of staff development and CPD costs.
- *Estates:* An adverse variance of £79,000 with a budget of £3,365,000 against the planned £3,285,000. The meeting noted that this reflected higher routine maintenance to reflect current levels of repair to the College estate.
- *Finance:* An adverse variance of £242,000 against the planned £1,537,000. This included an additional cost for JANET data connection between sites (£70,000) and additional software costs associated with legacy systems at Harrow.
- *Executive:* An adverse variance of £192,000 against the planned £255,000 due to the delivery costs associated with conditional funding.
- *Depreciation:* The adverse variance of £144,000 against the planned £4,355,000 was in line with capital spend and reflected final review of Harrow assets as mentioned earlier in the meeting.

Balance Sheet

- *Cash:* Budget of £17,415,000 against plan of £14,371,000 (positive variance of £3,044,000). Due to delayed capital expenditure and improved outturn and the forecast income from the sale of the house at Harrow Weald. SW confirmed that the capital expenditure had been reworked to reflect the timing of the IoT building work during 2019/20.
- *Fixed Assets:* Adverse variance of £1,494,000 against planned £109,096,000 due to later timing of expenditure and additional capital works: Armstrong and IoT capital builds would start later than planned.
- *Accruals and Other Creditors:* The budget was in line with the plan at £7,500,000.
- *PAYE/NI:* At £1,012,000 the same as the plan in line with 2017/18.
- *Deferred Capital Grant:* At £1,141,000 against the plan of £717,000 which was in line with the revised release of DCG in future years.
- *Cash Days in Hand:* 119.1 (98.8 planned) compared with 139.1 final outturn 2018/19; due to later capital spend.
- *Current ratio:* 1.74 (1.52 planned) compared with 2.00 final outturn 2018/19.
- *EBITDA:* 11% in budget and plan.
- *Financial Health Score:* This was 270 points in the budget (against the planned 290 points). The meeting was assured that this would yield an ESFA financial health grade of 'outstanding'.

Plan Years 2020/21 and 2021/22

SW confirmed that the income and expenditure plans for the two plan years had been reworked to reflect the proposed budget for 2019/20. Members noted that the college cash position and current ratios would remain strong throughout the two plan years. It was noted that the plan years 2020/21 and 2021/22 showed operating surpluses of £316,000 and £598,000 respectively. The stand-still assumptions for 16-18 and 19+ learner number growth and rate of funding were noted. The plan years assumed 8% growth in WBL funding under the apprenticeship levy-funding regime. Other income was assumed to be subject to 3% inflation except for short courses where a rate of 5% inflation had been used. The planned Employee costs included: all pay increments; a pay award of 1% in each of the plan years; no further increases in LGPS and TPS employer contributions were included. The detail of the capital investment programme over the plan years was considered; capital expenditure of £4,670,000 and £3,050,000 was assumed. Inflation of 3% was assumed in relation to non-pay expenditure and non-pay efficiencies were assumed at £200,000 in each Plan Year. An apprenticeship levy of 0.5% of salaries was included each year. Governors were pleased to note that cash levels would remain strong at £16,792,000 and £17,807,000 in each of the two plan years. SW confirmed that the health category of the College would remain at 'outstanding' for both plan years and the detailed Financial Performance Indicators for each of the plan years were noted. Members commended the very thorough

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budget and planning process and the clear accompanying narrative.

The Committee APPROVED the HCUC Budget 2019/20 and Plan 2020/21-2021/22 and RECOMMENDED that it be submitted to the Governing Body for approval.

9. Revolving Credit Facility (RCF) Options

The meeting considered a paper outlining the options with regard to the current HCUC revolving credit facility. The GDFRP was recommending that the College should repay the existing legacy loan of £2,517,610 that Harrow College had with Barclays which had been refinanced by a drawdown on the RCF at the point of merger. This loan had been refinanced within the agreed £4 million RCF for HCUC. The meeting noted that SLT were making this recommendation due to the high levels of cash that HCUC was currently holding, and the good cash levels shown in the budget 2019/20 and two plan years. It was also noted that the recommendation was for the College to keep the remaining £1.6m RCF until it had final confirmation on whether the DfE would fund the additional cost of the Section 106 works to the Uxbridge College car park for the IoT project. SW highlighted that if this loan was paid back at the end of 2018/19 the College would save £56,500 in charges per year. The current plan showed the loan being paid back at the end of Year 3 and Governors sought clarity on the impact of paying the loan back early. SW informed the meeting that it would impact on the 'cash days' KPI but that the level of cash available would still be in excess of £17 million and the financial health grade would remain at outstanding. Governors sought, and were given, confirmation that there would be no penalty for early repayment; SW informed the meeting that the College bankers, Barclays, supported the recommendation to reduce the RCF by £2.517m at the end of the current academic year. Governors sought confirmation on the current HCUC Reserves Policy, which required the College to maintain reserves to enable 3 months of operation after any critical business incident: this would require £14 million.

The meeting APPROVED the recommendation to reduce the College's Revolving Credit Facility (RCF) with Barclays to £1.6m at the end of the academic year.

The RCF to be reviewed in 2019/20 by Resources Committee once confirmation was received on whether DfE would fund the additional cost of the car park works for the IoT Building.

ITEMS FOR INFORMATION

10. Institute of Technology (IoT)

The meeting considered the final draft of the commercial agreement between HCUC and the other partners in the West London IoT: Brunel University, Heathrow Airport Limited, Fujitsu Limited and West London Business. This had been prepared by Eversheds Sutherlands LLP. PC highlighted the following clauses:

- Clause 8 'Financial Arrangements' and Clause 10 'Annual Planning': PC confirmed that the dates within this reflected the annual HCUC financial and curriculum planning cycle. Governors were informed that the GDFRP (SW) was currently preparing an annual business plan for the IoT which would be shared with the partners in draft format; this would be finalised and endorsed fully when the IoT Board was in place in Autumn 2019.
- Clause 9.2 and 9.3 'Marketing and Website': The meeting discussed the work being undertaking on the Brand and Communication policy and noted that guidance from the DfE was due to be issued on 8 July 2019. PC confirmed that HCUC was developing the IoT website and that the partner organisations would link their websites to this at their own cost. Members were reminded that this reflected the fact that 93% of the IoT income would come to HCUC with the remaining 7% going to Brunel. Governors sought, and were given, confirmation that the marketing budget was currently set at 0.75% of IoT income. The meeting sought clarity on whether there would be any pan-London branding for the new IoTs and noted

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that, although there would be a network group hosted by the GLA, there would be no London-wide branding. PC reminded the meeting of the successful recent employer event which had been very well attended by local employers including HS2.

- Clause 13.2 'Withdrawal of Partners': ***The meeting agreed that the notice period for non-Educational partners should also be set at 6 months (rather than 3 months as currently shown in clause 13.2.2).***
- Clause 22 'Indemnity and Liability': After discussion ***the meeting agreed to the proposal from Brunel that a limitation to liability should be included which reflected the percentage of financial contribution.*** The Chair sought confirmation on whether HCUC would need to get additional indemnity/ liability cover for the IoT; ***SW informed the meeting that he would be checking this with the College insurers.***

The meeting considered and approved schedules 1 to 3 covering: Partner Contributions; Governance Plan; and Deed of Adherence. The meeting discussed the value of schedule 4, Reserved Matters but agreed to keep this included on the advice of Eversheds LLP.

PC reminded the meeting of the ongoing timetable with the Licence and Commercial Agreement to be signed by the end of July 2019; it was confirmed that Laraine Smith would sign these documents as the incumbent CEO of HCUC along with the Chair of the Corporation.

The IoT Update was NOTED and the commercial agreement was APPROVED subject to the two amendments shown above (clauses 13.2.2 and 22).

GDFRP to clarify whether additional indemnity/ liability insurance would be required for the West London IoT.

11. Capital and Property Update

The GDFRP presented the HCUC property update report to the meeting.

Health & Social Care Building, Harrow: The Health and Social Care building had now been in use since November 2017. There were still two outstanding snagging issues which related to the BMS software and leakage of water pipes; remedial work was due to commence in July. SW confirmed that the balance of the retention was still being held by the College and would be used to cover any remedial works if it was found that the pipe work damage was caused by the contractor. Compensation of £30,000 had now been agreed for the delay to the build which would be taken from the retention held by the college.

The Local Skill for Londoners Capital Investment Fund – Stage 2: The meeting was reminded that the College had been informed by e-mail in April 2019 that GLA grant funding would be available for 35% of Newton Building and 65% for Armstrong Building. No contracts had yet been received from the GLA but the College was proceeding with the work 'at risk'.

i. Newton Building, Harrow Weald

The meeting was reminded that the work at the Newton Building had been split into two phases: refurbishment of front section; and phase 2, demolition and subsequent construction of the new building at the back of the building. The meeting noted that the contract for the work had now been issued for signing and the work remained within the target budget of £4,043,096.

i. Armstrong Building, Harrow on the Hill

The meeting was reminded that the cost of this work was forecast at £8,200,800; of which construction costs would be £5,025,103.

House at Harrow Weald: The meeting noted that the planned alterations to the boundary fencing had commenced week commencing 17th June and pipe-work changes were scheduled for July 2019 once students were no longer on campus. SW confirmed that the house would be ready to put on the market in September 2019; an amount for the proceeds of the sale was included in the

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HCUC Budget for 2019/20. The meeting was reminded that the likely marketing price would be circa £600,000.

The Property Update Report was RECEIVED.

12. HCUC Monthly Management Accounts to 31st May 2019

The GDFRP presented the HCUC management accounts to 31st May 2019. The accounts were taken as read as they had been fully considered during agenda item 8 Draft Budget 2019/20.

The HCUC Management Accounts to 31st May 2019 were RECEIVED

13. To receive the Resources Committee Risk Register update

The meeting noted the combined Resources Committee section of the HCUC Risk Register which had been updated since the last Resources Committee meeting. The risks which had changed and the red risks aligned to the Corporate Goals were considered in more detail. SW highlighted the following changes to risk scores and a new risk which had been added:

- 1.08 Insufficiently qualified and equipped staff to support the delivery of study programmes and quality outcomes for learners. (Risk score at 12 'red').
- 1.09 Failure to recruit sufficient staff, qualified at the appropriate level. (Risk score at 12 'red'.)
- 1.13 College SAR and/ or Ofsted rating falls below 'outstanding'. (Risk score at 12 'red').
- 1.19 HE performance falls below target putting at risk future Quality Review and OfS expectations. Enhanced monitoring on condition B3 relating to student continuation. (Risk score raised from 8 'green' to 10 'amber'.) The meeting was reminded by DDS that this issue centred around a reputational risk rather than financial.
- 1.22 Insufficient invigilators, readers and scribes to cover exams and special access arrangements. (Risk score at 12 'red'). This was noted as a new risk and reflected the increased numbers taking exams and needing special access arrangements.
- 3.11 Underachievement of funding targets (Risk score still at 15 'red'). The meeting was assured that this was still being monitored on a weekly basis by SLT.
- 3.12 Failure to secure a sufficient number of large levy paying employers to deliver apprenticeships could impact on income. (Risk score increased from 6 to 8 but still classified as 'green').
- 3.14 Management Information – finance, funding, HR (Risk score at 12 'red'). Governors were reminded that consistent procedures across HCUC were now in place. However, new composite HCUC systems were relatively new (e.g. HR system) so the risk was still deemed as high. SW was hopeful that the risks around MIS would settle in advance of the June 2019 Audit Committee report.
- 3.20 WBL non-levy 16-18 and 19+ apprentices target not met. (Risk score reduced from 12 'red' to 9 'amber'). The meeting was assured that WBL delivery against the ESFA allocation was being closely monitored and had made progress during 2018/19.

The Resources Committee Risk Register was NOTED and RECEIVED.

14. Notification of any attempted fraud in the period to date 2018/19

The meeting received a report which confirmed that there had been no known attempted fraud/ corruption issues to report year to date.

NOTED

15. To confirm and agree the dates and times for the meetings in 2019/20

The provisional dates and times of the meetings were noted as follows:





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- Wednesday 18th September 2019 at 10.00am
- Wednesday 27th November 2019 at 10.15am
- Tuesday 24th March 2020 at 10am
- Wednesday 24th June 2020 at 10am

16. Any Other business

Head of Finance

The meeting gave a vote of thanks to Jay Patel, Head of Finance, who would be leaving HCUC on Friday 5th July. They wished him well in his new role within Higher Education.

17. Items for Feedback to Governing Body meeting on 9 July 2019

i) Budget 2019/20:

The Resources Committee approved the Budget 2019/20 and Plan years as presented. They would be recommending this budget to the Governing Body.

ii) Revolving Credit Facility:

Due to the high level of cash that the College is currently holding, and the reasonable cash levels detailed in the plan years, it was approved that the College should repay the existing loan at the end of 2018/19 and reduce the revolving facility from £4m to £1.6m. This RCF should be kept in place until the College had confirmation of whether the DfE would fund the additional cost of £1.6m for the Section 106 works to the Uxbridge College car park (required for the new IoT Building).

iii) West London IoT:

All was on track for the College to be able to sign the Commercial Agreement with the DfE. Resources Committee members would be updated on the final wording of the commercial agreement and would approve this having been given delegated authority from Corporation. The Commercial Agreement would then be signed by Chair of Governors and Laraine Smith as CEO.

There was no other business. The meeting closed at 2.35pm

Signed

Date