

**FINANCE, STAFFING & GENERAL PURPOSE
COMMITTEE**

Minutes of the meeting held on Wednesday 11th March 2020 at Gearies Centre at 5.30pm.

PRESENT: Mo Rahee (Chair), Joni Cunningham, Olive Hamilton-Andrews, Margaret Partridge and Councillor Joyce Ryan.

Also in attendance: Gill Hails, Finance & Staffing Manager in attendance until Minute 27 and for part of Minute 31.
Janis Lane, Clerk to Governors.

19. APOLOGIES for absence were received and accepted from Kathleen Atkins (Vice-Chair), David O'Donoghue and John Knight.
Apologies for lateness were given by Mo Rahee (in attendance from Minute 27).

20. DECLARATIONS OF INTEREST

Olive Hamilton-Andrews declared an interest in work that she was currently undertaking for RCVS who is a sub-contractor for the Institute. She updated her annual declaration of interest form. Governors asked Olive in what capacity and informed that she was working with the Cancer Prevention Project for the next 6 months. Governors thought that Olive's connection would be helpful for collaboration, particularly the Institute Digital Health project, rather than compromise work with the Institute and noted her declaration of interest.

21. ELECTION OF CHAIR & VICE-CHAIR OF THE FINANCE, STAFFING & GENERAL PURPOSE COMMITTEE

It was noted that Election of Chair and Vice-Chair of Finance, Staffing & General Purpose Committee, for the year until the first ordinary meeting in the Autumn term 2020, had been considered at the meeting of the Full Governing Body on 12th December 2019 and Mo Rahee had been appointed as Chair and Kathleen Atkins appointed as Vice-Chair.

22. MINUTES

Minutes of the meeting of the Finance, Staffing and General Purpose Committee held on 20th November 2019 were confirmed and signed by the Chair as a true record of the meeting.

23. PROJECT FUNDING: BUDGET 2019/20 (Matter Arising: minute 10 refers)

Governors were pleased to note additional funding from the Good Things Foundation (GTF) bid £5,000 and a further successful GTF bid for funding of £2,500. Governors noted the collaborative work with GTF, with their successful on line learning platform. . This was extremely valuable with a big impact for learners including benefits for independent learning on line and developing confidence in digital skills. Governors commended the Curriculum Manager (Neighbourhood Learning & Employability Skills) and team for the work being done.

24. AEB GRANT FUNDING 2019/20 (Matter Arising: minute 11 refers)

Governors were delighted to be informed that the bid for in year growth from the GLA Innovation Fund that was submitted in December 2019 had been successful. The additional funding of just under £240,000 achieved would make a massive difference and offset the forecasted over performance against funded value target. It was noted the new target would need to be met by the end of the funding year in July.

25. STAFF SATISFACTION SURVEY 2019 (Matter Arising: minute 17 refers)

Governors were updated of the progress in relation to the results of the Staff Satisfaction Survey. Where one respondent had indicated they were not satisfied, in not recommending the Institute as a good place to work, Governors further questioned what could be done to follow this up. The Principal explained that as responses were anonymous and confidential it was not possible to pursue in this way. Governors understood the confidentiality issue but wanted to ensure the individual could respond in a more positive way and that this could be improved with the review of communication taking place within the organisation.

26. BUDGET 2019/20 AND YEAR END FORECAST

Governors considered the accounts and variances to the end of January 2020 and noted that a surplus of £124,850 was forecast at year end and £120,000 would need to be carried forward as income in advance to support the budget for the next financial year. Operational savings would cover additional expenditure resulting in an operational surplus. Furthermore, an unexpected additional grant payment from the ESFA of £66,250 had been received in respect of over-performance, as the funded value earned in 2018/19 exceeded the target by 7.4% growth payments are capped at 3%. Governors noted that the additional income for over achievement and the project gains would result in a strong year end position, with no significant changes anticipated before year end and the additional funding would have a positive impact on next year's budget. Governors recognised that diversification of funding over the last 10 years had enabled provision but there was uncertainty with this on a consistent basis. The Principal informed Governors that feedback to funding bodies was ongoing to constantly reinforce that funding had not changed for 5 years therefore not in line with the increasing cost of delivery and a major squeeze on salaries.

Governors noted that Examination costs were expected to be over budget by £30,000, which was non-staffing costs, and that additional funding and fee income would cover this; there had been some short term savings on vacant posts and minor staff changes; the cost of a large number of premises related items, including capital improvements and upgrades, had been met from the Buildings Maintenance Fund and had not affected the operational budget; some contracts had been re-negotiated and controls on other general expenditure had resulted in savings over £30,000. Governors were pleased that efficiency measures put in place for teachers' salary costs had been very effective and were in line with the budget and not overspent as previously expected due to budget pressures particularly teachers' pensions; similarly the benefit of the teachers'

salaries grading review over the past 3 years was becoming effective. Additional expenditure on pensions was due for reimbursement from DfE via the LA in the current year but not yet received.

Governors asked of Reserves and the monthly running costs needed and informed that Reserves would only cover running costs for a couple of months and although the balance in Reserves could appear high would be spent quickly and even though next year was expected to be strong the future was uncertain.

Governors congratulated Gill Hails and the team for the excellent budget management and control. Governors were very sorry to hear of Gill's intended early retirement by the end of the year and highly commended Gill for the work she has done over the years and for attaining and maintaining a strong financial position for the Institute. Governors were reassured to hear that there would be some overlap of Gill's time with a new postholder.

ACTION: Governors noted the projected surplus of £124,850

27. DRAFT BUDGET 2020/21

Governors considered the draft Budget 2020/21 for approval. The additional funding of £223,900 from GLA for curriculum innovation would relieve the pressure on the initial draft budget plan that indicated a shortfall of £240,000 and particularly as the shortfall would have needed to be met from 2019/20 balances, project gains and the expected reimbursement from DfE for additional teachers' pension contributions (£90,000) for the current year. Further gains were also expected from the MHCLG Integrating Communities English Language (Ministry) project by the time the project finished and possibly further funding from a new bid for the Ministry ESOL Integration Fund. Based on successful delivery of the current ESOL project the Institute would be in a strong position to bid for this.

Governors questioned whether the in-year operational deficit, that increased year on year, could be sustained even though it had been possible so far to meet the shortfall. The Principal responded that success of bids had enabled this although opportunities came in cycles and so far the GLA devolution position had been positive for the Institute but all additional funding was difficult to predict. Governors recognised the skill to writing bids for funding, and that the Principal had a high rate of success, but bids and the outcome created a additional work although opportunities for further funding were needed. Governors were informed that Local London had employed a bid writer so may help as a benefit of devolution as not working in isolation but as part of any sub regional bids but the Institute would still need to pursue other funding which was in line with their mission.

The Exams budget had been increased, as expected with the rising costs, and there may be even more spend with extra funding. Once all data was available, the Principal was planning to meet with the Chief Executive of the Gateway Qualifications Awarding Body to discuss whether there was an opportunity for some cost reduction. The Finance & Staffing Manager explained that a lot of exam board related costs were being met by the Institute such as printing exam papers and

other hidden costs. The Principal thought it may be possible to negotiate a discount with Gateway as due to the volume of learners registered with this awarding body.

Governors noted that only 1% pay award for staff on the Education Management contract had been built into the budget which may not be adequate and reimbursement for pension costs was not expected to be received from 2020/21.

Governors had acknowledged the efficiency measures taken previously to maintain the Institute in a strong financial position but mindful of the ongoing pressures to maintain a balanced budget and controls, particularly on salaries, that would need to be maintained. In response to Governors, it was confirmed that salary costs equated to 83% of the total budget and Governors were aware that this had significantly increased over the last 3 years and another reason to retain Reserves and seek more funding. Governors noted that although Reserves were £700,000, and this was well above the £110,000 KPI target of 5% of funding, caution was needed as Reserves would be needed in future if funding and income were not maintained to meet the increasing levels of expenditure.

Governors stressed the importance of maintaining focus and that decisions for provision would have to be made such as those in respect of Traineeships and Apprenticeships and the Principal updated that the small cohort had all succeeded and were in permanent work and this was commended by Governors even though the small numbers meant the delivery was not sustainable in the long term.

Governors referred to Arts & Crafts courses that raised income and helped to provide skills to business and the economy and particularly supported people in their lives perhaps needing a new direction. The Principal responded that the income did not cover infrastructure costs but helped with courses being in specialist studios in a self-contained area. Governors commended the Finance & Staffing Manager and Facilities Manager for ensuring that the Institute buildings were maintained in such good order, condition and renewal as a huge investment in buildings that had enabled provision to continue and bring in income.

Governors discussed building the budget from zero that had been scrutinised line by line including the exact position of salaries; development and curriculum plans; additional expenditure on budgets that would offset against additional income; income projection where fees were known but changes could have an impact as were never certain; and other expenditure to review agreements and utilities; the Contracts budget was less this year as IT contracts had been agreed with a good deal for 3 years in advance so no commitment this year/next year; there would be no costs for Matrix and iIP Assessments this year but would be needed next year. Governors further noted that essential IT network upgrade was needed to be completed by the end of August 2020 and this would be met from the Buildings Maintenance Fund.

Governors thanked and commended the Finance & Staffing Manager and staff for their hard work and setting a balanced budget. The two large sources of funding as discussed would make a huge difference and a positive impact of the new budget.

ACTION: Governors approved the Draft Budget 2020/21.

28. POLICIES

Governors considered the following staff related policies due for renewal:

- (a) **WHISTLE BLOW POLICY** - Governors considered the policy (Council based policy) for renewal and there were no changes needed.

ACTION: Governors approved the Whistle Blow Policy.

- (b) **PROBATION POLICY** – Governors considered the policy for renewal and there were no changes needed. It was noted this was Council based policy that, for Institute purposes, included staff on the local education and management contract, covered all business support staff and reflected probation procedures for staff on the local contract.

ACTION: Governors approved the Probation Policy.

- (c) **STAFF DISCIPLINARY POLICY** – Governors noted that the Council had rewritten its Staff Disciplinary policy and was awaiting Cabinet ratification. In view of this Governors agreed to defer renewal until the Council had approved their policy as the Institute's policy was based on the Council's policy.

ACTION: Governors agreed to defer renewal of the Staff Disciplinary Policy for consideration at the next meeting of Finance, Staffing and General Purpose Committee in June 2020.

29. VOLUNTEERING POLICY

Governors considered the Volunteering policy due for review and agreed minor changes needed including update on volunteering roles available in the Institute; inclusion of GDPR in volunteer training; allowable expenses; and other CPD opportunities available for volunteers. Governors noted the number of current volunteers as 24 and all Volunteers would undergo the necessary safeguarding checks. Governors discussed the new role of ESOL Learning Ambassador, as part of the English for Everyday project, and an opportunity for volunteers. Governors were informed that there were 10 volunteers in this respect from the Ministry and this was excellent to reach into communities looking for those not taking part in the project and who had not been involved in learning English before. The Project ran across 5 Boroughs and the Institute was the prime contractor. Governors commended that 550 residents across the Borough were taking part in the project with little or no English and that this was phenomenal particularly for progression routes. In response to Governors regarding recruitment to the role it was confirmed that there were many Institute learners who could take this on and the new Student Governor had done so; the Website

was also used for Volunteer recruitment and a set level of English was required; and other ways included via libraries, schools and ESOL hubs. Governors commended the successful and excellent way forward with the Volunteering role.

ACTION: Governors approved the revised Volunteering Policy.

30. APPOINTMENTS, RESIGNATIONS & STAFF CHANGES – Confidential Minutes

31. ORGANISATION STRUCTURE – Confidential Minutes

32. HEALTH AND SAFETY REPORTS

Governors noted actions over the Autumn term 2019 and that there were no accidents or incidents at Gearies Centre to report. The Fire Risk Assessment Action Plan was noted to date and actions since the last report included PAT testing and an annual 'extraction clean' having been carried out. Most urgent actions had been completed and other actions would be completed by the end of March 2020. All Risk Assessments in the teaching rooms and offices at Gearies were in the process of being updated to include emergency situation and terrorist threat. The Personal Emergency Evacuation Procedure (PEEP) form and procedure had been revised and improved. A Health & Safety Audit had been carried out today by the Local Authority and the outcome would be reported to Finance, Staffing and General Purpose Committee at the next meeting.

Governors were updated of Car Park Safety in that cash payments for parking continued to work well and system in place for banking cash. Site staff maintained inspections of the car park. In relation to IT & Internet Safety the project to upgrade the Admin Network was ongoing and the move to Windows 10 would be completed by Summer 2020. CCTV installation had been completed to upgrade security and training was being arranged for Facilities and Safeguarding staff. Governors noted other site security included reviewing contracts for the intruder alarm system. Also work at Mildmay Learning Centre including additional security, quotes obtained for the installation of access control, ID cards for learners, Multi Faith room and the main door.

Safeguarding training and Health & Safety induction training for 8 new members of staff had been undertaken, 4 staff from RCVS subcontractor had completed the ETF Prevent for practitioners online training module and 1 new Governor had completed the ETF Prevent for Governors and Board Members online training module.

Governors thanked the Facilities Manager for the significant amount of work undertaken.

ACTION: Governors to receive at the next meeting of FSGP Committee

- (i) the final report on the Fire Risk Assessment Action Plan
- (ii) the Health & Safety Audit report.

33. DATE AND TIME OF NEXT MEETING

Governors noted that the next meeting of Finance, Staffing & General Purpose Committee was due to be held on **Wednesday 17th June 2020 at 5.30pm**

Meeting Closed 8.00pm

Chair.....

Date.....