



**HOPWOOD HALL COLLEGE  
EMPLOYMENT & FINANCE COMMITTEE**

**Minutes of the Meeting Held on 8<sup>th</sup> March 2022**

**Governors Present:**

Jim Gallagher	Independent Member & Committee Chair
Julia Heap	Principal & Chief Executive
Martin Salins	Independent Member
Paul Dixon	Independent Member
Julie Burns	Staff Member
Paul Bevan	Co-opted Member

**In Attendance:**

Jo Bentley	Executive Director of Finance & Estates
Matthew Taylor	Executive Director Performance & Planning
Fatema Hussein	Clerk to the Corporation

Meeting Commenced:	4.30pm
Meeting Ended:	6.15pm
Attendance:	85%
Quorum	3

**1. Apologies for Absence**

Apologies had been received from Sarfaraz Akram.

**2. Declarations of Interest**

Members were invited to declare any direct, indirect, personal, pecuniary or prejudicial interest on any item on the agenda.

There were no declarations.

**3. Approval of the Minutes – 25<sup>th</sup> November 2021**

**Agreed that:** the minutes of the meeting held on 25<sup>th</sup> November are approved as a correct record and authorised for publication

**4. Matters Arising from the Minutes**

The Committee confirmed that there were no matters arising from the minutes.

## 5. Management Accounts – 31 January 2022 & Full Year Forecast

The Executive Director Finance & Estates presented the management accounts for the month ended 31 January 2022 and it was noted that:

- The full year forecast was showing a net surplus of £809k compared to a budgeted deficit of £218k (after covid contingency costs before FRS102)
- The revised position included a total increase to income of £1,081k (including an increase of £300k on Apprenticeship income, additional income for AEB of £454k) coupled with an overall reduction in pay costs of £37k and savings in non-pay costs
- The College remained in 'Outstanding' financial health and complied with all bank loan covenants for the year
- Cash reserves and liquidity were both strong, but cash would reduce during the year to reflect the implementation of the Estate's strategy and in particular as the Advanced Technology centre main construction developed and contractor payments were made during the year

Paul Dixon in attendance.

### **RESOLVED:**

That the management accounts be received and noted

## 6. 2022 / 2023 Emerging Budget Position

The Executive Director of Finance & Estates presented the report and the meeting was informed that:

- The first draft budget for 2022/23 had been updated for all known changes to income and expenditure
- The RAG rating indicated the level of risk of each item with Red being high risk and Green being considered low risk based on past performance
- The ESFA funding allocation had now been received and income received would be lower than the current year
- The financial risks in relation to the cost of utilities was increasing
- Currently the draft budget was showing a break-even position, with staff costs at 65% of income and an EBITDA of 11%
- All covid related costs had now been subsumed within the main College budgets and would no longer be reported on separately
- Whilst income had increased significantly (+£1.97m), largely due to the settlement of the new ESFA 16-19 funding rate increase, there were also large increases expected on non-pay related costs(+£1,263k) compared to 2021/22 outturn figures particularly for utilities( +£591k)
- Staffing costs were currently being reviewed following the completion of the curriculum planning exercise
- Teaching costs included the cost of Tec Centre staff previously capitalised as part of the new build

### **RESOLVED:**

Members agreed that the aim was for the College to remain in Outstanding financial health and approved the budget planning assumptions for 2022/23.

## 7. HR Report

The Executive Director Business & Student Support reported that:

- The Learning & Development Plan for 2021/22 continued to be implemented
- Since the last report, a whole staff conference with the theme of Safety had been delivered
- Although the day covered some very challenging themes, feedback was generally positive from staff
- To further this theme a group of male staff were receiving training on how to discuss sexually harmful behaviours with male students
- There had been no allegations against staff in relation to safeguarding but there had been some breaches of professional guidelines, and College was providing training on this and focusing on areas where there had been issues

### **Governor Questions**

**Q.** Why were only male staff receiving training on sexual harassment?

**A.** The College was trying to encourage male staff to discuss this with their male students as there seemed to be a reluctance amongst males to talk about this issue

### 7.1 Green Transport – Salary Sacrifice Car Leasing Scheme

The Committee was informed that:

- As part of the College's key strategic intention to "be guardians of the environment"; a major objective was to be pro-active in minimising its carbon footprint
- The College was committed to pursuing this and had a Climate Action Group to focus on elements of the green strategy
- The Transport sub-group had created an action plan, and one element of this was a salary sacrifice scheme for staff to lease green cars
- In researching this initiative, the group had been advised by Tenet the College's procurement advisors and had considered two providers who were on approved purchasing frameworks
- Tusker and TCH Leasing had been reviewed, and both companies had undergone due diligence and competition to be on the framework
- TCH Leasing were the College's preferred provider

Governors endorsed the car leasing scheme but questioned whether 2 charging stations at each site would be sufficient. Management confirmed that the intention was to increase this to 4 charging stations per site.

## 8. Capital Projects & Contracts Update

The following update was provided by the Executive Director of Finance & Estates:

### T Level Animal Management Project and Wave 4 Bid

- A funding bid for the above was being developed including refurbishment of the Smallbridge Building and the existing Barn

- This would help to improve the teaching and learning spaces, and the relocation of the dog kennels would free up additional space in the main Smallbridge building for students
- As learner numbers had grown at Smallbridge, the bid aligned with the College's estates strategy
- College would have to match fund up to 50% of the project costs for this scheme with the scheme to be implemented by end of August 2023

## **RESOLVED:**

The Committee agreed to:

- Approve the direct award of the car leasing salary sacrifice scheme to TCH Leasing
- Note the College's position on energy contracts
- Recommend for approval to the Corporation, the submission of a capital bid for wave 4 T level Capital works for Animal Management, with a total project cost of £1,099,200 and a College contribution of 50% match funding to the scheme of £549,600
- Approve the awarding of a number of contracts via email (due to the timing of the meetings cycle), including T level Science construction costs, Student Kits, Printers and Buses during April

## **9. ESFA Provisional data on adult (19+) further education (FE) and skills in England, Feb 2022**

The Executive Director Performance & Planning advised that ESFA had recently published data on learner volumes which indicated that:

- For Community Learning, Hopwood Hall was the only provider in Greater Manchester that had seen significant growth in learner numbers since pre-Pandemic
- Mainstream AEB (non-Community Learning) had experienced a decrease of 16% since pre-Pandemic levels in 2018/19
- This was not as sharp a decrease as in most other GFE Colleges in Greater Manchester
- Apprenticeships volumes had held up at Hopwood Hall and the data indicated that it was the only Provider in Greater Manchester that had maintained the volume of starts since pre-pandemic levels, apart from four Higher Education Institutions
- Apprenticeship starts were up nationally, including more 16-18 which was very positive
- However, the number of completions was lower than last year as many apprentices were out of funding due to the disruption caused by the pandemic
- Although the number of adult learners had decreased, it was not as much as some other providers

The Principal and CEO stated that:

- Improving quality for the Adult and Apprenticeship programme was one of the key strategic aims of the College
- Previously, many employers chose to go to Rochdale Training Association for Apprenticeship provision, but this situation had now changed in favour of Hopwood Hall
- The College now also now providing more Apprenticeships than Oldham

College for the first time

Governors agreed that the data was very positive and placed the College in a strong position within Greater Manchester.

**10. \*Key Performance Indicators Update**

An update on the 2021/22 Key Financial Performance Indicators had been included in the reports to the Committee.

**11. Date and Time of Next Meeting**

Thursday 23<sup>rd</sup> June 2022 at 4.30pm

\*Standing Item

Chair's Signature:

Date: