

**Minutes of the Resources Committee  
Monday 31 January 2022  
Video Conference Zoom  
4pm**

Present: Alasdair Simmons (Chair)  
Cliff Wragg (Vice Chair)  
Alan Carvell  
Olly Mills  
Ian Pryce CBE, Principal & Chief Executive  
Allan Schofield  
Amanda Wagstaff

In attendance  
Diane Gamble, Director of Estates & Facilities  
Pat Jones, Executive Director of Finance  
Abigail Stevens, Student Governor  
Rachel Nicol, Director of Governance & Clerk to the Corporation  
(Minutes)

**Action**

**R/1/22 Apologies for absence**

Apologies for absence were received from Vinod Tailor

**R/2/22 Declarations of interest**

Alan Carvell is a non-executive director of BCS Limited (a wholly owned subsidiary of Bedford College)

**R/3/22 Matters arising**

There were no matters arising not covered elsewhere on the agenda.

**R/4/22 Estates review**

The Director of Estates and Facilities presented the report and highlighted progress on the 4 significant current projects including;

**Development of Corby Sixth form**, refurbishment of an existing site, towards a carbon neutral build, in the town centre. Funding has been confirmed. The Committee was updated on the appointment of architects and M & E consultants, the plan being to open in September 2023

**Recladding of Tower Block**, remodelling of two floors and creation of a new entrance from St Mary's garden. Depending on agreed funding there is a proposal for a net carbon option with additional funding sources being explored. A separate paper is included later on the agenda.

**Bedford Sixth Form** refurbishment, the buildings are within a conservation area and work is taking place in consultation with Bedford Borough. Work includes refurbishment of classrooms, replacement toilets, secondary glazing, PV panels on the flat roofs and air source heat pumps. Maximum decarbonisation is targeted, within the limitations of the building. Works are due to be complete by September 2022.

**Buildings at Kings Hill Farm**, significant work is being carried out and priorities established were outlined.

The Committee discussed the reference to impact, risk and value for money reporting. Assurance was given that value for money accountants are allocated to each project and the internal team meets weekly to review tenders and make necessary adjustments to deliver projects to budget. Post project reviews are looked at by the Audit Committee. The Executive Director of Finance confirmed that each project is planned with both an inflationary budget and a contingency budget. No projects have been discontinued and solutions are value engineered.

The reference to temporary toilets at Kings Hill was discussed. It was confirmed that toilets will be rented with a maintenance contract until facilities are established within a permanent building on the site. Changing facilities will remain as they are.

Management capacity was raised given the nature and scale of projects. It was confirmed that interviews are taking place for an additional Project manager and assurance given that current projects are manageable.

The Committee welcomed receipt of the minutes of the Estates Advisory Group and the Governance Committee will take forward discussions on the potential for a Resources Committee member to attend the Group.

**The Committee noted the update.**

#### **R/5/22 Tower Block options**

Seven options for the cladding and refurbishment of the Tower Block had been modelled and two options were presented to the Committee for consideration, the first being circa £9.4m and the second being circa £12m. The second option was noted to be carbon neutral and providing for a significant upgrade to services and ventilation. Options being explored for cladding include equitone and metal options.

The Executive Director of Finance outlined the financial implications, funding options and potential in different scenarios, including cash required and impact on cash flow.

On balance the recommendation of the management team was the more expensive option, avoiding the need for additional work in the future.

The Committee sought to understand what is being included in the proposed schemes. The potential to include new lifts and toilets on the outside had been explored but concluded to be unviable. Scope to reconfigure existing space for

accessible toilets is being looked at. They also explored the balance between short and long term needs, how these are managed and the potential impact on financial health. Assurance was given that financial modelling has been carried out and that financial health status can be maintained. It was confirmed that the current proposals do not include creation of an internal bridge.

The financial worse-case scenario and mitigation of the impact on college cash to minimise the call on reserves was outlined.

Consideration will be given to ascertaining student views on internal configuration and sustainability considerations. Assurance was given that student views are taken into account through surveys and the Executive Director of Finance provided an outline of actions taken historically as a result of feedback received.

The balance of different strategic priorities, how investment and funding is managed and the potential timing of loan funding and security requirements was discussed.

Assurance was given that the College has access to credit facilities and rates will be reviewed.

### **Motor Vehicle Centre options**

The paper at agenda 4a presented options for the Motor Vehicle Centre following students being relocated to other areas. Options outlined included sale or rental with pros and cons and future options being set out. The principle of retaining the value of assets in the county where they are based was being considered internally but with differing views expressed by committee members.

The Committee discussed any conditions on the original gift and the implications of becoming a landlord and how this might be managed in terms of costs, liabilities and risks if the building was let out.

Following advice it was not considered that there would be any capital gains tax implications.

Following a discussion of pros and cons the recommendation presented in the paper was taken to a vote. The majority of the Committee members present and entitled to vote supported the recommendation to retain the asset as set out in the proposal.

***The recommendation will be taken to the Board for discussion.***

**On the Tower Block project the Committee unanimously supported the £12m option. The Committee encouraged proactive exploration of financing options. As procurement for the project is time critical, and given the unanimous nature of the recommendation it was agreed that this will be put to the Board for approval by written resolution.**

*DG left the meeting*

The report was noted



## **R/6/22 HR KPIs**

The Executive Director of HR introduced the paper.

The overall full time equivalent (“FTE”) figure has increased and directors have been asked to review their areas to ensure the position is being managed through the budgetary process.

Staff turnover has increased and has remained relatively high since September. The number is above the Association of College (“AOC”) average but this comparison was noted to be based on data which is 12 months out of date. Turnover has impacted support staff within Bedford College Professional Services (“BCPS”) more than curriculum areas. Area based analysis of the use of agency staff has been provided to budget holders to assist in the ongoing management of the position.

The Bedford College Services Limited (“BCS”) position was outlined and the nature of the sector the company operates in noted.

Sickness levels were highlighted and it was considered that the College has managed the position well, with hybrid working enabling staff with minor illnesses to continue when appropriate.

Covid levels were noted to be lower than other educational establishments with 4 cases of long Covid. Significant absences had not resulted in the majority of those cases.

The Committee asked whether there are currently any patterns of repetitive short-term absences and assurance was given that this is tracked and is satisfactory.

Further discussion took place in respect of underlying factors around turnover. These included competitor packages impacting on particular areas of operation. Actions taken has included harmonisation across campuses and harmonisation of BCPS contracts. Further reviews have included working patterns and nature of roles. Anecdotal information was provided on areas suffering the highest losses. The Committee did consider that the focus of individuals moving to promotions in other organisations might be seen as a positive indicator of the development opportunities provided.

**The report was noted.**

## **R/7/22 Medium Term Financial Strategy (“MTFS”)**

The Executive Director of Finance introduced the report and outlined the assumptions made. It was explained that the model has been based on the worst case funding scenario. Potential sensitivities and variances and capital movement were explained.

Once funding is formalised the MTFS will be remodelled.

The Committee discussed:

How the current model reflects the strategic plan, for example in terms of quality, growth and HE numbers. Increase in agency costs and associate costs are included and considered to be a result of the increases in NI. Further work will be carried out to continue to model the strategic plan but with assurance given that the high-level percentages will be retained.

The potential approach to a merger and impact on the model and possibilities were outlined.

Assurance was given that models for different colleges are established on the same baseline but with differences in the formulas and demographics. More information will be available at the end of March.

**The report was noted.**

#### **R/8/22 Covid update**

The Executive Director of HR provided a verbal update on the current position.

The Response team had asked opinions of staff and students and Public Health Bedford have continued to provide advice. Infection rates are monitored in Bedford and Kettering and remain high. Masks are still encouraged to be worn in communal areas, social distancing and lateral flow tests are encouraged.

Vaccination status is not requested but pop up centres have been supported. Most meetings remain on line and a robust risk assessment programme is in place for trips.

The response team remit has been extended to cover student discipline and tail gating at electronic barriers.

The current infections amongst staff were outlined and operational impact noted.

Anecdotal evidence was provided that there is some confusion amongst students on the protocol to follow as a contact or after a positive test and the reporting required. The process for students to follow set out on the website was outlined. ***The Executive Director of HR will take this forward with the Response team, including a review of signage by the Estates team.***

The unique nature of Shuttleworth, residential accommodation and management of continued learning was raised. Assurance was given that Health and Safety are monitoring the position and impact on students closely, including in respect of attendance records.

**The report was noted**

#### **R/9/22 College Information Report**

The Executive Director of Finance presented the report. An additional charge on pensions was highlighted. The actuarial statement will be available in the summer with further information also expected. An appropriate provision has been made.

Adult Education Budget (“AEB”) numbers are lower than expected, costs are being reviewed and alternative provision being looked at.

Pay costs and overspend in a number of discreet areas is being managed by the relevant Vice Principal (“VP”).

Apprenticeship numbers are above forecast.

The planned surplus in the current year was set out.

The Committee appreciated the use of graphs. The decline in the forecast position was discussed and the Committee questioned whether the information was available at an earlier stage. It was explained that it had previously been anticipated that AEB numbers would be met. The pay position only emerged in December and is being managed.

The operational leverage was confirmed as maintained and ***the typographical error at 3.1 will be corrected.***

The report was noted.

#### **R/10/22 Decisions taken under delegated authority**

The report had been read and it was noted that there had been no decisions taken under delegated authority since the last report.

**The report was noted**

#### **R/11/22 Related Party transactions**

The Director of Governance provided an update on the current position in terms of the services provided to Bedford College Academies Trust (“BCAT”) and the Education & Skills Funding Agency (“ESFA”) audit, the question over authorisation of the relationship now resolved for the current year.

The Principal & CEO provided history. Services are provided at cost in compliance with funding rules, with the impact on resources and potential tensions on priorities managed. BCAT is moving towards development of its own infrastructure. The work of BCS in providing the catering services is distinct from the College and the decision on whether to retender will be one for the Board of BCS.

Some areas of IT and finance systems in particular will require detailed consideration for effective separation in due course. Involvement of the College as a member will continue at a governance level rather than as part of the operations through the provision of services.

Assurance was given that any loss of income can be mitigated by management of related costs.

The question of strategic fit going forward was raised. The Committee reflected on the success in terms of establishment, popularity and expansion. Historic intentions and current position were outlined and the College will continue to monitor their ongoing involvement. The wider issue of engagement with schools will continue to be managed.

**The update was noted.**

**R/12/22 Employee relations (Confidential)**

[Minute removed due to confidential and commercially sensitive nature]

**R/13/22 Minutes of meeting held on 10 November 2021**

The minutes of the meeting held on 10 November 2021 were approved as an accurate record of the meeting.

**R/14/22 Next meeting**

The next meeting will take place on 12 May 2022.