



Minutes of the Resources, Integration and Change committee  
held on Wednesday 23<sup>rd</sup> June 2021

Present: Jim Webster (Chair)  
John Dernie, Carole Kitching

With: Stephen Horrobin, Deputy Principal Finance and Resources  
Julian Tucker, Interim - Finance Team  
Tracy Scaife, Head of Governance

65. Apologies for absence – received from the John Arnott, Simon Cove and Keeran Vetriko.

66. Disclosures of interest – none received

67. Minutes of last meeting held 27<sup>th</sup> April 2021 and matters arising – agreed as a correct record. Matters arising raised as follows:

(a) 56 Value for money (VFM) report – the Deputy Principal Finance and Resources asked if it would be possible for this report to be presented to the committee twice yearly rather than annually and this was agreed by the committee.

***ACTION:*** SH to present VFM report to RIC committee twice yearly.

68. Risk management update – the Deputy Principal Finance and Resources advised that there are no changes to report.

69. Management accounts: P9 – report by Deputy Principal Finance and Resources received and noted.

Concerns were raised concerning the high percentage of income from partnerships and the potential risks associated with this. After adjusting for partnerships the high proportion of pay costs to income ratio was noted, albeit in part that includes additional merger related run-off costs. The Deputy Principal Finance and Resources advised that we would show both the partnership income/contribution below the SOCI (Statement of Comprehensive Income).

***ACTION:*** SH to show income/contribution of partnerships below the SOCI.

70. Value for money (VFM) and assurance – report by Deputy Principal Finance and Resources received and noted.

The £1.5m savings were noted and the team congratulated on the results from the continuing procurement reviews.

71. FHP software update – report by Deputy Principal Finance and Resources and Flexible Learning Centre Manager received and noted.

With regard to the Finance Project (Advanced) it was noted that the two campuses will go live on different dates, Queens Drive campus will be December 2021 with North Star following in February/March 2022.



72. Committee self-assessment – responses to self-assessment questionnaire received and noted.

The Chair stated that he plans to talk with Simon Cove regarding his membership of the committee and hopes that he will stay as a member.

The Deputy Principal Finance and Resources stated that he would be happy for the number of meetings held each academic year to be reduced from five to four and will discuss this with the Head of Governance and Chair. The Chair stated that he would be happy with this provided that the management accounts were sent out on a regular basis to the committee between meetings. The Deputy Principal Finance and Resources advised that in his opinion the management accounts should also be presented to the Audit committee and it was agreed that this should be taken into account within the current review of the Terms of Reference of committees.

The oversight of critical systems was raised, while the committee receives regular updates on the FHP software update it receives nothing on any other critical systems within the college. The Head of Governance advised that the Audit committee receives a report on critical systems from the Director of Resources and Projects. The Chair of the committee stated that it would be useful for this committee to receive an oversight of critical systems within the college.

***ACTION:*** SH to review number of meetings of committee required each academic year; TS to consult with JA re. review of ToRs and Audit committee receiving management accounts; IH to report on critical systems to RIC in addition to Audit committee.

73. Post-merger update – verbal update received from Principal.

The meeting noted that the recent staff survey exercise had now closed and that approximately two-thirds of staff had completed a return (430 responses). The results of the exercise will be known in September.

A modest staff restructure within defined areas has been launched today which should result in £250k savings. Unfortunately there will be a small number of compulsory redundancies required. The exercise only requires a twelve-day consultation period due to the small number of staff involved.

The college is facing the possibility of strike action by UCU members between 1<sup>st</sup> and 30<sup>th</sup> September 2021. The official reason for this is because the college has not agreed to the request for a 5% or equivalent pay increase for staff.

74. Any other business – raised as follows:

(a) Corporation membership - the Deputy Principal Finance and Resources advised that he feels that the Corporation is lacking any legal experience and suggested that a governor with a legal background should be sought.

(b) Questions submitted by Simon Cove – the Chair advised that two questions had been raised by Simon Cove as follows:

1. Item 5 - are the IoT operating costs ongoing? If so, are they budgeted for and does this mean we have a hole until courses go live in September?
2. Item 6 – the cost saving of £540K over 3 years against the catering costs – not sure how this works? Please explain as it shows no contract costs this year and no cost model so how will we accrue these savings if we don't know the costs?



With regard to question 1, the Deputy Principal Finance and Resources advised the meeting of the charges for the current year with regard to the former Director of the IoT and the current Managing Director of the IoT. Relevant marketing costs are attributed to the IoT cost centre – total forecast costs of £318k, i.e. as per a typical start-up, costs with no income.

With regard to question 2, the Deputy Principal Finance and Resources advised the meeting that catering contracts have been changed to cost plus during the Covid-19 pandemic period (technically the two campus contracts were “frustrated”) and we are estimating a total subsidy of £180k during 2020/21.

75. Date of next meeting – to be advised.

76. Budget 2021/22 and forecast – confidential minutes refer.

77. Savings Plan – confidential minutes refer.

78. Confidential minutes of the last meeting held 27<sup>th</sup> April 2021 and matters arising – confidential minutes refer.