

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held on Wednesday 2 October 2013

Membership: *E Johnson (Chair)
 *J Breen
 *M Coleman
 M Denny
 B Spencer
 *K Spencer
 *P Taylor

* Denotes Present

In attendance: M Stokes, Vice-Principal
 P Marsh, Vice-Principal
 S Appleby, Human Resources Manager
 D Morgan, Director of Financial Planning and Strategy
 D Sheridan, Clerk to the Corporation
 R Lucas, Deputy Clerk to the Corporation

531 Apologies for absence

The Resources Committee received and accepted apologies from M Denny and B Spencer.

532 Declarations of interest

There were no declarations of interest.

533 Minutes of the previous meeting

The minutes of the meeting held on 25 June 2013 were approved as a correct record and signed by the Chair.

534 Matters arising from the minutes (not mentioned elsewhere on the agenda)

There were no matters arising.

535 Unaudited Accounts for 2012-2013

The Resources Committee received and considered the Unaudited Accounts for the period 1 August 2012 – 31 July 2013, presented by M Stokes, Vice-Principal.

The unaudited accounts were discussed in detail with particular attention being paid to the following:

- Cash forecast – there were some pressures throughout the year, however the year ended in a more positive position.
- Income summary – the income for 16 – 18 internal and external apprenticeships was less than originally forecast, reflecting changes regarding the programme and funding methodology. At the end of the year, the College earned £50k over

its final allocation.

- Pay expenditure – the final outturn was £107k less than originally forecast.
- Non-pay expenditure – there was an increase in non-pay expenditure.
- The College passed both covenant tests at the end of the year.
- The Corporation had set a target surplus of £300k and a £329k surplus was achieved.
- A significant amount of work has been undertaken by the adult team and the income target was achieved.
- Risk management is being linked up with the budget monitoring process. Teams are being risk rated and there is an increased focus on teams' income, expenditure and contribution.

The Committee congratulated the College, in particular the adult team and the finance team on the work that had been done and how, despite budget pressures, the College continued to deliver positive outcomes for the students.

The Resources Committee noted the paper.

536 Management Accounts for August 2013

The Resources Committee received and considered the Management Accounts for August 2013 presented by M Stokes, Vice-Principal.

Governors noted changes to the presentation of the 2013/14 budget, in particular the predicted College income. The Committee noted that if additional income was secured, additional expenditure would be incurred to deliver the work.

M Stokes confirmed that the budget was established to ensure that the College would pass both covenant tests.

The Resources Committee noted the paper.

537 Cash Flow Projections

The Resources Committee received and considered the report on cash flow projections presented by M Stokes, Vice-Principal.

The cash flow projections showed two potential outcomes, based on confident and potential income.

The Principal explained that an estates strategy will be developed and that part of a future surplus could be used to invest in the College's buildings and facilities. The Executive is looking at developing a strategy for teams to bid for capital resources, embedding more discipline in the financial management process.

The Resources Committee noted the paper.

538 Annual Treasury Strategy 2013-14

The Resources Committee received and considered the annual treasury strategy for 2013-14, presented by M Stokes, Vice-Principal.

The Committee discussed the composition of the loans, taken out as part of previous estates strategies.

The Resources Committee approved the establishment of a working group to review the treasury strategy, which will consist of Eddie Johnson, Paul Taylor and Paul Bartlett, and approved the other measures set out in the report.

539 Recruitment of Learners 2013-14

The Resources Committee received and considered the report on recruitment of students for 2013-14, presented by M Stokes, Vice-Principal.

The end of year recruitment target for 16-18 full time learners has been exceeded by 3%. There are currently 2,584 such students against a funded target of 2,503. Governors noted that there will be changes to the enrolment of a small number of these learners and the Principal confirmed alternative programmes were available for them.

There is a possibility that there will be further funding cuts next year to the EFA allocation and transitional protection funding will be halved next year. Managers are being briefed on the College's position and strategy and staffing resources are being mapped against student numbers within teams.

The College is developing a strategy for the recruitment and training of apprenticeships to ensure the apprenticeship target is met.

The College is seeking other sources of funding which will be additional to the budget.

The Resources Committee noted the paper.

540 Pension Auto-Enrolment

The Resources Committee received and considered the report on pension auto-enrolment, presented by S Appleby, Human Resources Manager.

New legislation comes into force on 1 January 2014 requiring all employees to be auto-enrolled onto a pension scheme. The College currently have 97 staff who have opted out of the pension schemes offered by the College. They will automatically be enrolled onto a pension scheme as of 1 January 2014 and will have 3 months to opt out of the scheme.

The College currently employs 36 apprentices, 16 of whom are eligible to join a pension scheme but currently have no contractual rights to do so (in this pay reference period). Workshops are currently being held to help the apprentices make an informed choice.

The NEST pension scheme is being considered for the apprentices. It is a government scheme recommended by the AoC, however the pension would be non-transferable. It was suggested that some further research is undertaken to identify

the transferable schemes available.

A discussion was held by the Committee around the pension auto-enrolment and the associated resource implications.

The Committee agreed to delegate authority to the Executive to identify the most appropriate pension scheme for apprentices and approved the changes to the pension clause in the contract of employment.

541 Any Other Business

The Resources Committee received an update on the visit from the Beacon Award assessors that took place on 27 September 2013. The winners will be announced at the AoC conference in November 2013.

542 Dates of Future Meetings

Autumn Term 2013	Tuesday 05 December 2013	08.30am
Spring Term 2014	Tuesday 25 February 2014	08.30am
Summer Term 2014	Tuesday 06 May 2014	08.30am
	Tuesday 24 June 2014	08.30am