

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held on Wednesday 03 December 2014

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

** Denotes Present*

In attendance: M Stokes, Deputy Principal
 P Marsh, Deputy Principal
 D Morgan, Director of Financial Planning and Strategy
 S Appleby, Executive Director of HR Services
 D Sheridan, Clerk to the Corporation
 R Lucas, Deputy Clerk to the Corporation

589 Apologies for absence

Apologies for absence were received from J Breen.

590 Declarations of interest

K Spencer declared an on-going interest in any item relating to Sir Charles Kao UTC as she is on the Board of Governors.

591 Minutes of the previous meeting

The minutes of the meeting held on 19 June 2014 were approved as a correct record and signed by the Chair.

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

There were no matters arising.

593 Management Accounts for the period 1 August 2014 – 31 October 2014

The Resources Committee received and considered the Management Accounts for the period 1 August 2014 – 31 October 2014 presented by M Stokes, Deputy Principal. Governors discussed the management accounts in detail.

The Resources Committee noted the Management Accounts for the period 1 August 2014 – 31 October 2014.

594 Recruitment of Students and Apprentices 2014/15

The Resources Committee received and considered the report on the recruitment of students and apprentices for 2014/15, presented by M Stokes, Deputy Principal.

Governors' attention was brought to the funding targets for differing income streams as set out in Section A of the report. Targets, budgets and allocations are looked at and monitored closely by the College.

The 16 – 18 Learner Responsive funding formula is based on 68% of learners being full-time, however the College's current position is that 84% of its learners are full-time. The College has recruited 2,435 students against a target of 2,713, however it is anticipated that this learner number target will be achieved. A January offer is being launched in the new year and other in-year initiatives are planned.

The 16 – 18 Learner Responsive funding methodology was explained and governors noted that funding for 2015/16 will not be known until February or March next year.

The first open evening of the year took place in November and it was very well attended.

The College is expected to meet its £1.213m 16 – 18 apprenticeship target and partners are expected to achieve their £300k allocation. Currently, the expected end of year profile for new business is £182k, £200k short of the College's £382k target. This funding is only received by the College if it is earned.

The current Adult Single Budget allocation of £5.444m is a £0.75m reduction from 2013/14, however an expected 15% cut had been built into the College's budget.

Partners have been allocated £100k from the Adult Single Budget and this is solely for adult apprenticeships.

The Adult Single Budget is paid on a monthly basis, the income is deferred and clawback takes place if targets are not achieved. The College is currently on track to achieve its target.

The Community Learning funding is a yearly allocation and the College is continuing with its delivery, as per last academic year.

The high needs funding allocation could increase in the future.

Governors noted concerns regarding recruitment to the College's Higher Education courses. The College's capacity for 2014/15 is 368 places, however the College set a target of 310. The actual current number of learners is 240. There is no opportunity for the numbers to increase, therefore the College will not earn its full income allocation.

A detailed discussion was held around higher education, the courses currently offered, the model which the College operates, staffing and the agreement with Anglia Ruskin University.

Governors noted that the College has been approved by the Higher Education Funding Council to have its own allocation of higher education learners and the College is looking to deliver HNDs and HNCs.

A new Assistant Principal is leading the Higher Education team and the Heads of

Academies have been allocated teams to incorporate higher education and further education subject areas which are linked to help improve progression from further education to higher education.

The Resources Committee noted the report and agreed that a full review of the provision and resource allocation in University Centre Harlow is required.

595 Treasury Management Policy

The Resources Committee received and considered the Treasury Management Policy presented by M Stokes, Deputy Principal.

Governors noted that the policy is based on the plans submitted to the Resources Committee in June 2014.

Governors noted that the College's level of borrowing will reduce as three loans are coming to an end in the next few years .

The planned capital expenditure was highlighted along with how this expenditure will be funded. The College will seek to secure an additional £3m bank loan to match fund the proposed advanced manufacturing centre, which would be built where Building H currently is. Funding for this is being sought from the South East Local Enterprise Partnership, Essex County Council and the College. The process for bidding for this funding was explained by K Spencer, Principal and governors noted that the College cannot afford to leave Building H in its current state, regardless of the outcome of funding applications for the Advanced Manufacturing Centre. Section 9 details the progress made so far in securing the £3m loan.

The Resources Committee approved the Treasury Management Policy and agreed that a short-term review of progress will be needed, together with the opportunity to scale back or freeze the £3m bank loan if necessary. The Resources Committee also agreed that a "Plan B" for Building H needs to be developed which will require approval by the Corporation.

596 Disposal of Fixed Assets

The Resources Committee received and considered the report on the disposal of fixed assets presented by M Stokes, Deputy Principal, following a major exercise on fixed asset disposal, undertaken by the College

Governors noted that goods to a total purchase value of £990,214 had reached the end of their useful life, £969,104 of which were fully depreciated. The items included in these figures are hair and beauty equipment and IT hardware. Building K has been brought back into use and an impairment reversal was processed through the 2013/14 accounts. The building has been given a useful economic life until 2045.

The Resources Committee approved the report on the disposal of fixed assets.

597 Human Resources Strategy

The Resources Committee received and considered the Human Resources Strategy presented by S Appleby, Executive Director of HR Services.

Governors noted that the Human Resources Strategy contains seven priority areas and it will be reviewed annually.

Governors were given the opportunity to ask questions and noted the following:

- Health and safety is not included in the strategy as this is covered in a separate College policy.
- The source of the statistics detailed on page five is the Office for National Statistics.
- The College's approach to shared parental leave is still under consideration and the College will not see the impact of this until April 2015.
- The Strategy does not include a sickness target as this is included in the self-assessment report and the quality improvement plan. The College is looking to align itself or be below the Association of College's benchmark.

The Resources Committee thanked S Appleby for her report and approved the Human Resources Strategy.

598 Staff Probation Policy

The Resources Committee received and considered the Staff Probation Policy presented by S Appleby, Executive Director of HR Services.

Governors noted that staff probation is part of the College's performance management. Outline detail is contained within the policy and more detailed information and guidelines are given to managers.

Governors discussed the main focus of the policy. Governors noted that the policy has been produced in conjunction with the unions, that training is being undertaken by managers and underperformance is being addressed.

The Resources Committee approved the Staff Probation Policy.

599 Sickness Absence Policy

The Resources Committee received and considered the Sickness Absence Policy presented by S Appleby, Executive Director of HR Services.

Governors noted that the College has worked with the unions to develop this policy.

Long term and short-term sickness rates for staff have been amalgamated and are now counted together.

The College has taken the decision not to use the Bradford Factor (absences are counted and scored and a decision is made where a cut off point would be) as the trigger process which the College currently uses is working well. Governors noted that short term sickness levels have decreased.

The College's Occupational Health service is outsourced.

Governors noted that all periods referred to in the policy are rolling periods and that the College still works on a case by case basis when dealing with sickness absence.

The Resources Committee approved the Sickness Absence Policy.

The Resources Committee also noted that the Management of Change and the Staff Disciplinary Policy have been reviewed by the College and there are no proposed changes to these policies, therefore these policies were ratified by the Resources Committee for another year.

600 Harlow College Property Strategy

The Resources Committee received and considered the draft Property Strategy presented by K Spencer, Principal.

Governors noted that the Strategy has been developed in collaboration with a company called Fusion and that the Strategy is still work in progress.

The College's strategic priorities are set out and the Strategy also contains a summary of strategic need to support the College's development plan and the financial forecast.

Governors' attention was brought to the current state of the College's buildings, based on a condition survey undertaken in October 2013. Capital funding is being sought for those buildings which have been categorised as category C and D. The College's main priority is the proposed Advanced Manufacturing Centre would be built, which would replace Building H.

Governors noted that the Strategy also contains details of: an overview of student numbers, the curriculum and space; local context; issues to be addressed; opportunities and constraints.

The Strategy contains the following three options for the College:

1. Option 1 – do nothing;
2. Option 2 – progressive refurbishment / renewal of buildings;
3. Option 3 – relocate to a new site.

Governors discussed these three options and agreed that option 2 was their preferred option.

A discussion was held around the grazing land owned by the College, car parking and how employers' needs will be addressed in the Strategy.

Governors noted the bid submitted to Essex County Council for funding for the Advanced Manufacturing Centre.

The Resources Committee noted the Property Strategy and agreed on Option 2 as detailed above.

601 Human Resources Annual Report 2013 – 2014

The Resources Committee received and considered the Human Resources Annual Report for 2013 – 2014 presented by S Appleby, Executive Director of HR Services.

Governors' attention was brought to the key statistics box contained in each section which provides a summary of the information in each section.

Governors noted that total sickness absence levels have increased slightly however there has been a decline of 214 days in short term sickness absence.

The College benchmarks itself against figures produced by the Association of Colleges, however their figures for 2013/14 have not yet been published, therefore the benchmarks included in the annual report are for 2012/13.

Governors noted the split of sickness absence amongst the teams and where there are high levels of sickness absence, mostly due to long-term sickness. There are no significant changes in the reasons for sickness absence.

Governors noted that exit interviews take place with staff. The staff profile has not altered significantly and staff turnover rates are lower than the benchmark. Reasons for leaving are identified and the College is looking to learn from the feedback it receives.

Employer relation cases were detailed and governors noted that most are resolved on an informal basis. Since September 2014, 18 cases have been resolved in such a way.

The Resources Committee thanks S Appleby for the detailed report and noted the Human Resources Annual Report for 2013/14.

602 Any Other Business

There were no other items of business.

603 Dates of Future Meetings

Spring Term	Thursday 26 February 2015	08.30am
Summer Term	Thursday 30 April 2015	08.30am
	Thursday 18 June 2015	08.30am