

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held on Tuesday 6 December 2011

Membership: *E Johnson (Chair)
 *M Coleman
 *M Denny
 *C Hindmarch
 *M Jackson
 *B Spencer
 *P Taylor

** Denotes Present*

In attendance: R Allanach, Deputy Principal, Finance
 A Hughes, Director HR and Student Services
 S Young, Deputy Principal
 D Sheridan, Clerk to the Corporation
 R Lucas, Deputy Clerk to the Corporation

414 Apologies for absence

The Resources Committee received apologies from N Spenceley, Deputy Principal.

415 Declarations of interest

There were no declarations of interest.

416 Minutes of the previous meeting

The minutes of the meeting held on 27 September 2011 were approved as a correct record and were signed by the Chair.

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

There were no matters arising.

418 Draft Financial Statements 2010/2011

The Resources Committee received and considered the report of Richard Allanach, Deputy Principal on the draft financial statements for 2010/2011. The statements are currently being reviewed by the external auditors.

Richard Allanach reported that nothing unexpected had arisen and that the College was on track to report a rising success rate and a surplus for the second year running, demonstrating the success and affordability of the Teaching and Learning Strategy.

Richard Allanach brought particular attention to the fact that there was a larger deficit than originally forecast on the Essex County Council's Local Government Pension Scheme, as he had not highlighted this issue in this report on the provisional outturn considered by the Committee in October.

The Principal reported that it is highly likely that the Government will take money from

successful colleges and divert it to unsuccessful colleges, which will have an impact on Harlow College.

The risk that the Government selects a policy for further education which runs counter to Harlow College's strategic direction has been moved to the top of the risk register and the risks are rated as intolerable.

After a detailed discussion and questions being raised by Governors, the Committee recommended the draft financial statements to go to the Further Education Corporation meeting on 15 December 2011 for approval.

419 Management Accounts for the period 1 August 2011 – October 2011

The Resources Committee received and considered the report of Richard Allanach, Deputy Principal. The report is based on the predicted income rather than on actual, as the Skills Funding Agency software is currently faulty.

The College is solvent and is likely to be so for the rest of the financial year.

The College has improved its financial strength and this is reflected in the reduced number of questions from the auditors on whether the College is a going concern.

Since the budget was approved by the Corporation, the operating budget adopted by the Executive holds a higher level of budgeted payroll costs funded by extra allocations. The forecast payroll costs are based on the correct level of payroll expenditure. It is likely that the next month's management accounts would show a higher level of payroll costs. It was agreed that the net salary costs should be added onto the graph.

In real terms, the paper reports that the cash position is good, that there are degrees of uncertainty around the Skills Funding Agency income whilst the software remains an issue and the payroll costs are a challenge for the Corporation.

The paper was noted by the Committee.

420 Additional Income Streams

The Resources Committee received the report of Richard Allanach, Deputy Principal, on additional income streams that the College has been successful in securing, totalling approximately £1.5m.

These are good news stories however it was raised as to whether these streams should be classed as windfall income rather than true growth. It was agreed that the majority were opportunities for true growth.

The paper was noted by the Committee.

421 Proposed Adjustment to the Current College Budget.

The Resources Committee received and approved the proposed adjustment to the budget, as presented by Richard Allanach, Deputy Principal.

The Committee was informed that should the College "purchase" an additional Ofsted

inspection in 2012 / 2013, one area that Ofsted will look at is the financial health of the College and this will be linked to the outcome of the inspection. Particular attention was drawn to the automated financial health grade on the last page of the report and this is forecast to be “good” in 2013.

422 Achievement and Setting Targets of the College.

The Committee received a report from Colin Hindmarch, Principal, on the 2010 / 11 targets and the setting of targets for 2011 – 2014.

422.1 Achievement of Targets 2010 / 11

The Principal informed the Committee on the achievement of the targets and those which were not achieved. The figures have improved dramatically over the last 5 years and the College broke 2 national records for the results in 2010 / 11.

It was noted that the 81% of learners and employers who are more than satisfied was taken from the 2011 Summer Survey and the 2011 Autumn Survey shows a figure of 84%.

The main area of concern is the recruitment of NEETs and continued working and networking with partners is crucial.

Workplace training has not been a high priority and this is reflected in the non-achievement of the target.

422.1 Setting Targets for 2011 / 12

The Principal presented the Committee with the future targets.

The results to date indicate that the Teaching and Learning Strategy is working, however there are still areas which can be improved.

The Principal informed the Committee of the Qualification and Curriculum Development Agency’s decision to de-value vocational qualifications. After a discussion, it was agreed that further clarification should be sought on this.

With the exception of value added and average points per grade which require national measures to be agreed, the Committee approved and agreed the targets.

423 Recruitment of Students and Apprentices 2011 / 12

The Committee received a report by Sue Young, Deputy Principal. The learner numbers contained within the report reflect student enrolment as at November, however this will be updated for the Corporation meeting.

There has been a shift in Government focus from 16 – 18 apprentices to 19 – 24 apprentices. This will widen the scope for partners who will in turn help with the recruitment of the apprentices. Whilst there are challenges ahead, there is flexibility in the single adult budgets.

424 Human Resources Annual Report 2010 / 11

The Committee received the first Human Resources Annual Report, prepared by Amanda Hughes, Deputy Principal. The report focused on absences, staffing and turnover and employee relations.

There has been a dramatic improvement in long term sickness, although short term sickness has increased. A new policy has been implemented and return to work meetings have been introduced. There appears to be a broad correlation between student absences and staff sickness within academies.

The removal of the default retirement age has raised the question of whether this should be classed as planned or unplanned turnover.

Concern was raised over the 3 staff who cited that workload and 1 member of staff who cited working relationship with manager as the reason for leaving. It was agreed that these figures would be reviewed to identify whether these employees were early in their career with the College or long standing members of staff.

It was agreed that an extra column in the analysis of sickness absence to show the percentage of whole college sickness would be useful.

The Committee noted the report and agreed that it was useful and informative.

425 Any other business

There were no items of any other business.

426 Dates of future meetings

Spring Term 2012	Tuesday 28 February 2012	8.30am
Summer Term 2012	Tuesday 1 May 2012	8.30am
Summer Term 2012	Tuesday 26 June 2012	8.30am