

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held on Tuesday 7 December 2010

Membership: *E Johnson (Chair)
 *M Coleman
 *C Hindmarch
 M Jackson
 S Modaley
 *M Prodger
 B Spencer

** Denotes Present*

In attendance: Richard Allanach, Deputy Principal
 Deborah Sheridan, Clerk to the Corporation

346 Apologies for absence

Apologies were received from M Jackson, S Modaley and B Spencer.

347 Declaration of Interest

No interests were declared.

348 Minutes of the previous meeting

The Resources Committee received and approved the minutes of the meeting held on 28th September 2010.

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

349.1 Pay Award 2009/10 (Minute 343 refers)

The Principal confirmed that the pay award had been implemented, backdated to August 2010. He reminded Governors that at the meeting of the Corporation on 21 October 2010, it had been agreed that any member of staff retiring would receive the pay backdated to August 2009. The Principal reported that this had been implemented in respect of one member of staff.

350 Draft Financial Statements 2009/10

The Resources Committee received the report of Richard Allanach, Deputy Principal on the Financial Statements for 2009/2010.

The Committee noted significant changes to the accounts. These comprised a decrease in the declared turnover of the College to comply with LSC/SFA guidance

regarding sub-contracted tuition and training, and the treatment of the donation of a car park by Anglia Ruskin University. Governors noted that the car park is now included as a receipt to deferred capital grants and will be recognised in the income and expenditure account over the life of the car park (20 years). The impact of this is to reduce the surplus of the College by £440,000 to £673,000.

The Resources Committee agreed the draft financial statements for 2009/10 and agreed to recommend them to the Corporation.

351 Management Accounts for the period 1 August – October 2010

The Resources Committee received and noted the report of Richard Allanach on the Management Accounts for August – October 2010.

Governors considered the cash flow forecast, which showed that in the first three months of the year the college was above its profile for cash. The College is not predicted to require its overdraft in 2010/11. The Committee noted the current ratio of the College, which at the end of October was 0.61:1. Whilst this was weak, it is better than that forecast in the budget. From this, the Deputy Principal reported, the Corporation will be able to conclude that it is solvent and a going concern. The Deputy Principal confirmed that both the pay roll and non-pay expenditure was under control.

The meeting considered college income and noted where there were shortfalls. The Deputy Principal confirmed that all areas would remain under scrutiny. Shortfalls in income were currently offset by lower expenditure in the College. Income levels were expected to correct themselves over the year.

The Committee thanked the Deputy Principal for his report.

352 Achievement of Strategic Objectives 2009/10

The Resources Committee received the report of The Principal of the achievement of strategic targets in 2009/10. The Committee noted targets met by the College.

The Principal reported on targets not met for NEETs, work place training, community cohesion projects and overall ethnic minority success rate.

- i) NEETs – the College had done so well in reducing the number of young people not in education, employment or training in 2008/09, that the LSC had diverted funding away from Harlow to Tendring. When it was identified that organisations in Tendring would be unable to spend the funding, it was reallocated to Harlow College but by then it was too late for the College to meet the target set.
- ii) Each course was to have undertaken a community cohesion project. In all 69 projects were undertaken. Teams that performed poorly in 2009/10, however, did not undertake the projects. The meeting discussed the issues facing these teams and noted that they were being addressed.

- iii) The Principal informed Governors that young ethnic minority students performed at the same level as white students. The adult ethnic minority students on English for Speakers of Other Languages (ESOL) programmes, however, were not performing well. Governors noted the success rates for individual ethnic minority groups and identified that Bangladeshi students, Chinese students and Pakistani students were not performing as well as others. Many of these students were linked to the ESOL programme and a major cause for their relatively poor performance was known and being addressed.
- iv) There had been no increase in the number of students receiving additional learning support, who had been identified as requiring additional support. This is because the College had been unable to complete the development of staff to deliver this support.
- v) The Employer Response Unit had delivered £137,000 of income against a target of £330,000. This was because the ERU had moved to deliver a European Social Fund project that would deliver greater income at a time when full-cost recovery work with employers was difficult to obtain.

Governors noted that the all enrolment success rate was yet to be calculated. However, the “inspection view” success rate used by Ofsted showed a rise to 88% from 84% in 2008/09. Ofsted’s own socio-economic performance indicator report showed that the College, in 2008/09, was the 5th best performer out of 238 colleges. The Principal reminded Governors that 2008/09 was not the College’s best year for performance. Governors noted that the achievement of key skills in 2009/10 was poor, dropping from 93% down to 79% (national benchmark 64%).

Governors discussed the strategic objectives and the College’s performance. The Committee noted that Essex County Council was to cease funding the Connexions service and agreed that this could impact upon the identification and referral of NEETS. Governors discussed the potential impact of the withdrawal of Educational Maintenance Awards (EMAs). This would probably have a significant negative impact on approximately 200 students. Whilst this would be partially offset by increases to the Learner Support Fund, there was a risk that learners would be in hardship and that this could impact on their attendance at College. The Committee noted that the College was monitoring how learners could be supported and was working with the Student Union on the matter.

353 Review of Progress against FNTI

The Resources Committee received and noted the report of the Deputy Principal.

Governors noted that Jeff Wren had taken up a post at Oaklands College and was recommending to the Skills Funding Agency that there was no longer a need to send an observer to Corporation meetings. This was attributed to the College making sufficient progress in its financial health. The Deputy Principal confirmed that at inspection, the Skills Funding Agency Provider Financial Assurance Team had

validated the grades given by the College in the Financial Management Control Evaluation, which included good for Strategic and Operational Oversight (including governance).

Governors noted that the financial forecasts for 2010-13 were judged prudent but may require to be resubmitted as part of a general exercise in which all colleges would be asked to provide new forecasts.

The Resources Committee discussed a range of issues concerning future funding and learner numbers.

354 Any other business

354.1 Ofsted full inspection

The Committee received and discussed the draft inspection report. Governors discussed how staff would use the report to make further improvements, to raise the performance of the poorest teams to the level of the best performing teams.

355 Dates of future meetings

Spring Term 2011	Tuesday 1 March 2011	8.30am
Summer Term 2011	Tuesday 3 May 2011	8.30am
Summer Term 2011	Tuesday 28 June 2011	8.30am