

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

RESOURCES COMMITTEE

Minutes of the meeting held at Harlow College at 10am on Monday 09 March 2026

Membership *Ed Whittle (Chair)
 *John Godley
 *Karen Spencer
 Dan Swords
 *Paul Taylor
 *Heather Wilson

*denotes present

In attendance Paul Whitehead, Deputy Principal
 Deanne Morgan, Executive Director – Finance
 Sally Appleby, Executive Director – HR Services
 Kirstie Craig, Vice-Principal
 Ruth Lucas, Head of Governance

1 Apologies for Absence

Apologies for absence were received from Dan Swords due to work commitments.

2 Declarations of Interest

There were no additional declarations of interest.

3 Minutes of the Previous Meeting

The minutes of the Resources Committee meeting and the joint Audit and Resources Committee meeting both held on 09 December 2025 were agreed as an accurate record and signed by the Chair.

4 Matters Arising from the Minutes (not mentioned elsewhere on the agenda)

There were no matters arising.

5 Management Accounts for the Period 1 August 2025 – 31 December 2025

The Resources Committee received and considered the Management Accounts for the period 1 August 2025 – 31 December 2025, presented by Deanne Morgan, Executive Director – Finance.

Deanne Morgan reported that the forecast year-end surplus is currently £125k however the current year-to-date actual figure is a deficit due to timings and lagged funding. Income is on track, key targets are being met, the DfE financial health rate is good and the bank covenants continue to be met.

A Governor asked about the cash forecast graph and why the borrowing is at zero in July 2026 when the loans are not repaid until July 2027 as detailed in the Treasury Management Report. Deanne Morgan reported that this is due to how the figures in the

management accounts have been rounded for the graph and that the final loan payment will be in July 2027. A Governor asked if a big loan payment is due to be paid in July 2026 as there is a sharp decline in the borrowings in the graph at this point however Paul Whitehead confirmed this is not the case. Deanne Morgan reported that the loan payment profile will be looked at and how the information is presented in the management accounts will be addressed in the next set of accounts.

A Governor highlighted that when the Committee met in December 2025, the forecast surplus was £453k, compared to the current forecast surplus of £125k and asked for the reason behind this. Paul Whitehead reported that in 2022 – 2023 the College was subject to a full ESFA audit which it successfully passed however there was some clawback. This has only just come through therefore it is having an impact on this year's accounts. In addition, project income is difficult to predict and is tracking lower than forecast, mainly due to the changes in local government, Karen Spencer reported that funding related to the LSIP was anticipated this year however none has been released and it is now expected that this could be a repeating pattern for the next few years due to devolution and local government reform.

A Governor asked about the Adult Skills Fund – Adult Education Budget (including 19+ bursary) funding line in the management accounts as it is showing the biggest drop off against the budget and asked if there were any particular concerns around this. Governors were informed that it is difficult to profile as the funding relates largely to unemployed adults therefore the College is reliant on JCP referrals. The College is however 1% ahead of where it was this time last year. The actual budget is split evenly into twelfths however it is rare that the income comes in evenly each month. The December income is often lower due to Christmas therefore a dip is always expected. The College recognises the income received in the “actuals” in the accounts however the funding is paid on the profile, produced 18 months ahead of the period it covers, and is reconciled at the end of the year. If the College is ahead of the profile, it is not represented in the “actuals”. Deanne Morgan confirmed that this funding is based on cash received and accrual accounting.

A Governor asked about the flags in relation to the Adult Education Budget income breakdown in the accounts. Paul Whitehead reported that adjustments are made across all the lines where required to ensure the income is fully earned. In previous years, the College had not met the full budget however this breakdown provides better tracking and monitoring, ensuring timely action is taken where required.

A Governor asked about the negative income for EV chargers. Deanne Morgan reported that the College does not make any money from the chargers and has picked a tariff to cover the basic costs. It is considered as commercial income and is tied into Corporation tax therefore needs to be recorded this way in the accounts. The EV chargers are being replaced at STAC. Quotes have been received and the work agreed.

Governors were informed that the College is purchasing two minibuses, one new and one used, instead of leasing minibuses. This is currently going through the required procurement processes.

The Resources Committee noted the management accounts for the period 1 August 2025 – 31 December 2025 and the forecast position in terms of financial health and banking covenants.

6 Treasury Management Report

The Resources Committee received and considered the treasury management report, presented by Deanne Morgan, Executive Director – Finance.

The Committee was informed that Virgin Money / Clydesdale Bank, is transferring to Nationwide. The College has been assured that it will be “business as usual” following the transfer however it will bring different opportunities as Nationwide is a building society.

Governors noted that the loans are due to finish in July 2027 and the College is not looking to repay them early due to the cost of the break clauses and accounting processes.

The bank mandate is being updated with the new members of the Executive being added to the mandate.

The Resources Committee reviewed the College’s bank facility as follows and noted that there are no proposed changes to the facility:

Facility	Limit	Frequency
Overdraft	£Nil	-
BACS (salaries)	£1,200,000	per month
BACS (non salaries)	£1,000,000	per week
Business Card (2 x credit cards)	£4,000	per month

The Resources Committee agreed to recommend to the Corporation the approval of the annual banking facility with Virgin Money / Clydesdale Bank from 1 April 2026, as detailed above.

7 Property Update

The Resources Committee received and considered the Property Update, presented by Paul Whitehead, Deputy Principal.

Governors were informed that the replacement of all lights to LED lighting has been completed apart from those on high ceilings which cannot be easily reached. The College has agreed to complete this work itself and the contractor’s price has been reduced accordingly.

Good progress has been made on the College’s refurbishment programme with the work being completed internally by the College’s minor works team. It is a rolling programme and has been planned to ensure that there is minimal disruption to students and their learning.

Condition improvement funding from the DfE is anticipated again this year. This funding will be used to undertake more internal refurbishment work and there has been a slight increase in staffing capacity in the minor works team to cover the work the team is doing.

The work on the Construction Hub is ongoing and part of the refurbishment work has been completed. There have been some delays to the progress of this due to the local elections. A Governor asked if there was a date for when work will start on site with the

UK Health Security Agency however there is no update on this.

Paul Whitehead provided Governors with an update on the land exchange between the College and the Council. A letter of intent has been signed and legal processes are being worked through. A Governor asked if this would be delayed by the local elections however Paul Whitehead reported that it should not be as the letter of intent has already been signed. A Governor highlighted that the Council has already started work on the College land and Karen Spencer confirmed that this was agreed in the letter of intent.

Paul Whitehead provided the Committee with an update on STAC Phase 2.

A business case has been submitted to Essex County Council, the outcome of which is expected in the next few weeks.

The RIBA Stage 2 design is being refreshed and once this has been completed, pre-planning engagement with Uttlesford District Council will take place. The planning application will be for all phases of the expansion plan.

DfE capital funding for increasing capacity is being applied for, for which Governor approval is required. Applications can be for up to £5m therefore a £10m project (£5m DfE, £5m Essex County Council) as part of the £14m Phase 2 plan is being developed. Karen Spencer reported that the DfE has scored each local authority out of 10 for the need for additional capacity for 16 – 17 year-olds over the next 4 – 5 years and Uttlesford scored 8.

In addition, conversations will take place with companies around private investment.

Advice has been sought in relation to a design and build subsidiary and this advice will be worked through by management. The College is looking to zero-rate the VAT for the building however there is a need to be clear on how the College wants to deliver the building. A Governor asked what the criteria is for zero-rating a building and Deanne Morgan reported that 95% of the use for the first ten years needs to be for 16 – 18 year-olds. Paul Whitehead reported that there is no prescriptive way on how to measure this and that the ten-year restriction on the original building expires in 2028.

Governors were informed that a PA system has been installed across the College and good progress has been made with upgrading the CCTV.

A Governor highlighted that a 9% carbon reduction is impressive, demonstrating that the College has a good plan in place. Paul Whitehead reported that this reduction was mainly due to the replacement of boilers and cladding work undertaken last year. Another significant reduction is expected this year due to the change to LED lighting. The College is looking to install energy meters in each building to monitor usage and maximise return on investment. This will help reduce both the College's carbon emissions and costs.

The Resources Committee noted the Property Update,

8 Human Resources Reports

8.1 Human Resources Update

The Resources Committee received and considered the Human Resources

Update, presented by Sally Appleby, Executive Director – HR Services.

Sally Appleby provided the Committee with an update on the Investors in Diversity silver accreditation. The College has reached the final stage and the assessment has been completed. There were good participation rates in the survey for both students and staff, along with smaller focus groups. Initial feedback and indications are good and the full report is expected by Easter.

A Governor asked what the College would have to do to achieve gold Investors in Diversity accreditation. Sally Appleby reported that the College has to hold the silver accreditation for two years and then decide if it wants to renew accreditation at the same level or look to upgrade to gold. Karen Spencer reported that the AoC has increased their work on charters, including an E&D charter and a student charter. These were not in place when work on Investors in Diversity accreditation commenced and it could be that after the two years with Investors in Diversity, the College may decide to switch to the AoC charters.

Governors were informed that the College has signed up to the Disability Confident Scheme at Level 1. A key focus of this is improving the College's Applicant Tracking System and once this is fully operational, the College will guarantee interviews to applicants who meet all the essential criteria.

Sally Appleby provided Governors with updates on employment law and the Employment Rights Act 2025 which introduces a wide range of employment law changes which need to be implemented during 2026 and 2027. The College is currently undertaking work to address these changes ahead of when they come into force. Governors' attention was brought to sexual and third-party harassment and the reduction of employment rights from 2 year to 6 months.

A Governor highlighted that the work on sexual and third-party harassment is potentially a big piece of work. Karen Spencer reported that this is not fundamentally different to the work the College does to safeguard its learners. It is engrained in the College's thinking, there is just a need to switch thinking. Sally Appleby confirmed that there is a need to demonstrate the College's proactivity towards it and Paul Whitehead confirmed that all policies and processes will be worked through to ensure the College is compliant with the new requirements. A Governor asked if other policies, such as flexible working, will be reviewed. Sally Appleby reported that there is a change in the requirements on how applications can be reasonably rejected and that the College considers each flexible work request individually.

Karen Spencer reported that employers can still use the 6, 8 and 12 month probation process and that the new rights are about the process being followed correctly.

Governors' attention was brought to the HR KPIs and a Governor asked about the agency expenditure costs in the KPIs which do not match up to the agency costs in the management accounts. Paul Whitehead reported that different calculations are used and that the HR KPI focuses on costs associated with agency recruitment and elements of expenditure that HR can control.

The Resources Committee noted the Human Resources Update.

8.2 HR Policies for Approval

The Resources Committee received and considered the Paternity Policy and the DBS and Pre-Employment Checks Policy, presented by Sally Appleby, Executive Director – HR Services.

Governors' attention was brought to the proposed changes in the Paternity Policy to align it with the revisions in law.

Governors noted that there were no proposed changes to the DBS and Pre-Employment Checks Policy.

The Resources Committee approved the Paternity Policy and the DBS and Pre-Employment Checks Policy.

9 Any Other Business

There were no items of any other business.

10 Dates of Future Meetings

Summer Term 2026	Tuesday 12 May 2026	9.30am
	Thursday 25 June 2026	9.30am

Key Points From The Meeting For Corporation:

1. Management Accounts

To note the current position.

2. Treasury Management Report

To receive the report and approve the recommendations from the Resources Committee.

3. Property Update

To approve the submission of the application to the DfE's Post 16 Capacity Fund for STAC Phase 2.