

# HARLOW COLLEGE FURTHER EDUCATION CORPORATION

## RESOURCES COMMITTEE

### Minutes of the meeting held online on MS Teams on Wednesday 14 May 2025

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

\*denotes present

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

#### **1 Apologies for Absence**

Apologies for absence were received from Ed Whittle due to personal circumstances and Will Allanson.

#### **2 Declarations of Interest**

Paul Taylor declared an interest as he is a director of a company which the College is in discussion with around leasing space for STAC.

#### **3 Minutes of the Previous Meeting**

The minutes of the Resources Committee meeting held on 6 March 2025 were agreed as an accurate record of the meeting and were signed remotely by the Chair.

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

There were no matters arising.

#### **5 ESFA Financial Health Rating Letter**

The Resources Committee received and considered the ESFA financial health rating letter, presented by Deanne Morgan, Executive Director – Finance.

Deanne Morgan reported that this is a standard letter which colleges receive annually based on the Financial Statements' submission to the ESFA and their observations. The information gives Governors and the College assurance on what they already know.

Governors noted that the Governing Body Financial Dashboard has not yet been published by the DfE and will be presented to the Committee at its next meeting.

The Resources Committee noted the ESFA Financial Health Rating Letter.

## **6 Management Accounts for the period 1 August 2024 – 28 February 2025**

The Resources Committee received and considered the management accounts for the period 1 August 2024 – 28 February 2025, presented by Deanne Morgan, Executive Director – Finance.

Governors were informed that due to the economic closure, shadow March management accounts were produced therefore the full set of February accounts are being presented at this meeting. Governors noted that there was not much movement in the income between February and March.

Deanne Morgan reported that the forecast year-end deficit is due to lower Adult Skills Fund and apprenticeship income. The Adult Skills Fund is being looked at for next academic year to ensure plans are in place to earn the income from the start of the academic year.

The apprenticeship debt is being addressed through examining monthly reports from the funding agencies and significant progress has been made with unlocking some areas therefore funding will be released.

Governors were informed that management are confident with the forecasts in the accounts including the apprenticeship debt figure which is included in the balance sheet.

The College has been awarded some in-year growth funding and this has been reflected in the accounts and the funded element of the NI increase has been included at 80%. The funded element is expected to be between 70% and 80% however this has not yet been confirmed.

Since the papers for this meeting were produced and published, the College has been notified it will receive an additional £212k for April – July 2025 for 16-18 learners. This funding will be used against the additional costs incurred due to growth and the deficit.

Governors noted that the financial health rating is good and the additional £212k will improve this score. The bank covenants are forecast to be met and the cash position is forecast to be slightly better than planned.

A Governor asked about the difference in the pay cost to income reported in the management accounts compared to the financial planning report. Deanne Morgan confirmed that the reported 74% is based on the DfE's calculation, which uses adjusted income with some income lines removed from the calculation, whereas the 69% is the actual rate with all income included in the calculation.

Karen Spencer reported that there are still some uncertainties with funding. Guidance has been published on how to calculate the funded NI contributions however there are still a number of unknowns. The College is used to responding to unknowns though and Deanne Morgan reported that this will impact the cash flow as the College is already paying the NI increase.

The Resources Committee noted the management accounts for the period 1 August 2024 – 28 February 2025 and noted the forecast position in terms of financial health and bank covenants.

## 7 Finance Policies for Approval

The Resources Committee received and considered the 16-19 Bursary Fund Policy 2025-2026, the 19+ Discretionary Learner Support Policy 2025-2026 and the Fee Policy and Student Terms and Conditions 2025-2026, presented by Paul Whitehead, Deputy Principal.

Paul Whitehead reported that there are minimal changes to the policies.

Governors were informed that the review of the bursary policies is the first part of reviewing how the College distributes funding to its most vulnerable learners. Concerns have been raised about the amount of bursary funding and how it aligns to the costs of food in the College. Bursary funding is used for food in the canteen however the actual cost to the College of the food is the issue and a meeting is being held internally to discuss this, along with feedback from student focus groups.

Governors were informed that there has been a change in the DfE guidance on the process for bursary. Paul Whitehead reported that in the highest category of bursary for 16 – 18 learners, learners receive approximately £1,200 per annum. The new guidance states that this cannot simply be allocated to these learners and that the College needs to evidence that the learners are using the funding to access education. This is likely to reduce the amount claimed per learner and the amount of funding each learner will get will create a challenge for them. Governors were informed that the relevant teams are working through these changes.

A Governor asked if the term “able to access education” was open to our own interpretation. Paul Whitehead confirmed that it is now much tighter as there is a need to evidence the funding is being used to access education and this will potentially have a detrimental effect however it is outside of the College’s control. Paul Whitehead confirmed that the College is looking at the best way to interpret the guidance to ensure the funding get to the learners.

A Governor asked if there is way to report on the effect the change has and to track its impact. Paul Whitehead reported that work is being undertaken by Essex County Council and there is a need for providers to demonstrate how this policy change impacts learners and NEET numbers.

A Governor asked about the change in returning learners now having to re-apply for bursary funding. Paul Whitehead reported that learners will now need to reapply to ensure that the College can allocate funding effectively due to the change in guidance and to obtain confirmation that their personal circumstances have not changed. The team is actively working with these learners to ensure that they are clear on the process.

Governors were informed that references to COVID in relation to refunds have been removed from the Fees Policy 2025-2026 and reference to the ESFA has been replaced with reference to the DfE.

The Resources Committee approved the 16-19 Bursary Fund Policy 2025-2026, the 19+ Discretionary Learner Support Policy 2025-2026 and the Fee Policy and Student Terms and Conditions 2025-2026.

## **8 Human Resources Policies for Approval**

The Resources Committee received and considered the Performance Management Policy and Procedures and the Local Government Pension Scheme Statement of Policy, presented by Sally Appleby, Executive Director – HR Services.

Sally Appleby reported the changes to the Performance Management Policy and Procedures were minor, with improvements made to the language and terminology used.

A Governor asked why the Performance Management Policy and Procedures do not apply to agency staff and asked if this was fair. Sally Appleby confirmed that staff are referred back to the agency if they are not performing and are subject to the agency's performance procedure. Governors were informed that it complicates the employer relationship if the College instigates its own procedure rather than using the agency procedure.

A Governor asked what the process is if agency staff need support. Sally Appleby reported that this would be undertaken informally and sit outside of the Performance Management Policy and Procedures. John Godley reported that learning co-ordinators have resources to support new staff in teams before any formal proceedings are instigated.

Sally Appleby reported that there is a requirement to document how the College deals with LGPS discretions and that the LGPS Policy Statement required significant updating. Governors were informed that the College has worked with pension specialist lawyers to update the College's LGPS Policy Statement. Sally Appleby confirmed that whilst the College has a Policy Statement, all discretions would be worked through on a case by case basis and would require a business case. Sally Appleby reported that in the last fifteen years, there have been no requests for discretions.

The Resources Committee approved the Performance Management Policy and Procedures and the Local Government Pension Scheme Statement of Policy.

## **9 Any Other Business**

There were no items of any other business.

## **10 Dates of Future Meetings**

Summer Term 2025      Wednesday 25 June 2025      9.30am

### **Key Points From The Meeting For Corporation:**

- 1. ESFA Financial Health Rating Letter**  
To note the content of the letter.
- 2. Management Accounts**  
To note the current position.