

# HARLOW COLLEGE FURTHER EDUCATION CORPORATION

## RESOURCES COMMITTEE

### Minutes of the meeting held on Tuesday 30 April 2013

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

\* Denotes Present

In attendance: E McMahon, Principal as of 1 May 2013  
A Hughes, Deputy Principal  
M Stokes, Vice-Principal  
P Marsh, Vice-Principal  
D Morgan, Director of Financial Planning and Strategy  
D Sheridan, Clerk to the Corporation  
R Lucas, Deputy Clerk to the Corporation

#### **506 Apologies for absence**

The Resources Committee received and accepted apologies from E Johnson and introductions were made.

#### **507 Declarations of interest**

There were no declarations of interest.

#### **508 Minutes of the previous meeting**

The minutes of the meeting held on 28 February 2013 were approved as a correct record, with one minor correction to the year on page 4, and signed by the Chair.

#### **509 Matters arising from the minutes (not mentioned elsewhere on the agenda)**

There were no matters arising.

#### **510 Management Accounts for the period 1 August 2012 – 31 March 2013**

The Resources Committee received and considered the Management Accounts for the period 1 August 2012 – 31 March 2013, presented by A Hughes, Deputy Principal.

A Hughes reported that the College is working hard to ensure all potential income available to the College is earned.

As governors had no further questions on the management accounts, the Committee noted the paper and agreed to recommend it to the Corporation at its meeting on 16 May 2013.

## **511 Relationship with the College's Bank**

The Resources Committee received and considered the report on the relationship with Clydesdale Bank, presented by Amanda Hughes, Deputy Principal.

The College has a more remote relationship with the bank and this has deteriorated since face-to-face meetings ceased.

An agreement has been reached in relation to the breach of the bank covenants with the College required to make two £25k loan payments. If the College continues to be in breach of the covenants for another quarter, the bank could call in its loans.

Some initial work has been undertaken to determine the cost of changing banking providers and a general discussion was held around this. It was agreed that legal advice be sought and Elaine McMahon informed the Committee that the AoC should be honour bound to advise the College in this situation.

The Committee agreed that more work needs to be undertaken on this, led by the Deputy Principal with support from the Principal and the finance department. The College needs to determine what other colleges who bank with Clydesdale are experiencing and understand how the breach has happened and why.

The Resources Committee noted the paper.

## **512 Future Funding 2013 - 2014**

The Resources Committee received and considered the report on future funding presented by M Stokes, Vice-Principal which indicated funding levels for 2013/14.

Governors were informed that the majority of the College's income is received from five sources and M Stokes reported on the current position for 2013 – 2014. Funding for educating learners aged 16-18 had been cut by £2M with funding for 437 fewer learners and a reduction in apprenticeship funding. However, there is an increase in adult funding and growth in higher education.

A lower tuition fee income target has been set as, historically, the target has not been met. There is no target for full-cost provision as the College does not currently have the capacity to deliver this.

A discussion was held around the likely reductions in FE funding in the future, the impact of adult learning loans and how the College is responding to this and how the College can place itself to deliver excellent provision for 14 – 16 year old learners in the next few years.

Pension costs and associated risks have not been factored into the funding predictions and E McMahon suggested some sensitivity analysis around this is undertaken.

The Resources Committee noted the paper.

### **513 Tuition Fee Policy 2013 – 2014**

The Resources Committee received and considered the report on fees and employer contributions for 2013 / 14, presented by M Stokes, Vice-Principal, which provided an outline for a fuller and more in depth fee policy.

A discussion was held around the fees and their method of calculation. It was agreed that payment by instalment options should be explored and that the College needs to be consistent when offering flexibility around the fees charged. The Committee agreed that some market research was needed to establish what competitors are charging and that student incentives / rewards should be explored.

The Resources Committee noted the paper and agreed that the full Tuition Fee Policy would be presented for approval at the Corporation meeting on 16 May 2013.

### **514 Recruitment of Learners 2012 – 2013 and 2013 - 2014**

The Resources Committee received and considered the report on the recruitment of students and apprentices, presented by M Stokes, Vice-Principal.

The current indicative funding value of 16 – 18 learner responsive provision now stands at £11.555m. Governors noted a wide range of activities being undertaken to ensure that targets will be met and that higher education recruitment is on track.

A discussion was held around the work the College is doing with local secondary schools around promoting the College's offer and whether it can work with the schools to gain mutual benefits.

The Resources Committee noted the report.

### **515 Local Government Pension Scheme**

The Resources Committee received and considered the report presented by A Hughes, Deputy Principal on the Local Government Pension Scheme. Governors noted the only change to the policy is the maximum weekly redundancy pay which is in line with statutory requirements.

The Committee approved the policy.

### **516 Any Other Business**

The Resources Committee passed on its sincere thanks to C Hindmarch for his hard work, commitment and dedication to the College.

### **517 Dates of Future Meetings**

Summer Term 2013      Tuesday 25 June 2013                      08.30am