

**HARROW COLLEGE FURTHER EDUCATION CORPORATION
MINUTES OF THE MEETING OF THE CORPORATION
WEDNESDAY 26 MARCH 2014**

1. CORPORATION DEVELOPMENT SESSION

A presentation was received on College Marketing activities and the benefits of and impact in informing current and future operations from the use of the newly introduced Coremetrics software.

The Head of Learner Services and the Marketing Manager were thanked for an interesting and informative presentation.

2. PRELIMINARY PROCEDURAL MATTERS

2.1 Attendance, Apologies for Absence, Welcome & Introductions

Membership: Yvette Adu-Mante
Tracey Critchley
Nick Davies (Chair)
Mark Eastwood
Sandra Ernstoff (From Item 7)
Tony Medhurst
Kanwal Munir
Steve Owen
Sachin Shah (From Item 7)
Ketan Sheth
Karen Tyerman
Mumtaz Van Der Vord
Elizabeth Warriner
Antonio Weiss

In attendance: Judith Abbott
Pat Carvalho
Jayne Chaplin (Clerk)
Kevin Grindley (Item 1 only)
Colleen Williams (Item 1 only)

2.2 Chair's & Clerk's Announcements

The Chair:

2.2.1 On behalf of the Corporation, welcomed the new members to their first meeting.

2.2.2 Advised members that it was Karen Tyerman's final meeting. On behalf of the Corporation thanked were extended for her support and the contribution made during her time as a Board Member; and advised members that the resignation of Board Member Jay Jobanputra had been received.

2.4 Declarations of Interest & Confidential Items

Declarations of Interest were received from:

- 2.4.1 Sachin Shah in his capacity as a Councillor of Harrow Council.
- 2.4.2 Steve Owen as an employee of Barclays Bank
- 2.4.3 Sandra Ernstoff in her capacity as a consultant working with the EFA.

It was **RESOLVED** for Item 7 to be taken as a Confidential Item and to be taken as the first item of business.

2.5 Minutes of the Corporation Meetings, 18 December 2013

The Minutes of the Corporation Meeting held on 18 December 2013 were agreed as a correct record and signed by the Chair.

2.6 Matters Arising

None advised.

3. ITEMS REQUIRING FORMAL APPROVAL OR ADOPTION

3.1 Summary of & recommendations from the Resources Committee, 19/01/14

An overview of the business of the meetings was presented noting those items appearing elsewhere on the agenda for information and reviewing the recommendations regarding the main items of business:

3.1a February 2014 Management Accounts & Financial Risk Analysis

The Management Accounts and update on Learner Numbers and Sub-contractors for the period ending February 2014 were received.

It was reported that;

- The income and expenditure account for year to date February 2014 showed a deficit of £(373)k, representing £1,104k better than the original budget
- Confirmation had been received from the SFA in its Financial Health Letter of its assessment of the College's financial position

After acknowledging the detailed discussion that had taken place elsewhere on the agenda the report was noted.

3.1b Public Interest Disclosure: Policy Review

A report was received presenting the updated Public Interest Disclosure Policy, which it was noted had been reviewed by the Resources Committee.

On the recommendation of the Resources Committee, it was **RESOLVED** to:

- **RE-APPROVE** of the updated Public Interest Disclosure Policy

3.2 Summary of & recommendations from the Property Committee Meeting, 19/03/14

An overview of the business of the meetings was presented and the substantive items for consideration presented:

3.2a Harrow on the Hill Projects – Business Enterprise Centre & Laboratory Refurbishment

The Highlight Reports for the Projects were presented.

After noting that the on-going risks consistent with the size of the projects continued to be proactively managed, members were advised:

- Of the zero VAT rating for part of the building, noting that although HMRC could seek payment of the VAT within the next 10 years, in the event of any contravention of the associated rating criteria, it had been considered prudent to take advantage of the short-term financial benefits presented in accepting the zero rating and to defer the making of a final decision to a later date.
- Of the planning application, welcoming recent confirmation of receipt of planning approval.
- Of the variance analysis of Stage D project costs, noting that firmer costs would be obtained as the Project progressed throughout each Stage.
- In-line with previous reports and confirmed following the recent receipt of quotes from suppliers, for total expenditure to be contained within the original project budget by achieving the saving fee costs through the in-house refurbishment of the laboratories.
- The layout plans for refurbishment of the Brunel science laboratories required accordance with the BREEAM (Building Research Establishment Environmental Assessment Methodology) Good standard to fulfil the SFA condition of grant.

There was discussion of:

- The overall projects in general costs noting in particular the further cost increases on certain elements of the Enterprise Centre since Stage C that had been fully off-set by reducing the furniture budget.
- The design process and the timescales for the obtaining of cost certainty with the Business Enterprise Centre Project. In response to questioning members were advised that although greater costs certainty flowed from each stage of the design process, the potential for overspend remained as other risks assumed prominence as the Project moved from the design stage and into actual construction.
- The BREEAM assessment framework for the laboratory refurbishment projects confirming in response to questioning that despite extensive investigations the College had been unable to locate a suitable BREEAM assessment framework against which to measure the design and that advice therefore was being sought both on how to proceed and to seek agreement that such responsibilities had been discharged.

After review the report was noted.

3.2b Harrow Weald – LLDD Building Project

The Highlight Reports for the LLDD Building project was received.

After reporting that overall it was considered that the project risks were currently being managed adequately, progress was reviewed, discussing in particular:

- The stated over budget reported at the Stage C design stage noting the Project Managers' confidence that this would be designed out at Stage D.
- The confirmation from HMRC that the building was eligible for VAT relief on the construction costs, noted to save circa £300k that could be regarded as a provision against over-spends.
- The planning application process and timescales, which it was reported provided adequate time for achievement by the target completion date.

The report was noted.

3.2c College Condition Fund Capital Grant

A report was received confirming the outcome of the College's representations to the Skills Funding Agency for a Condition Fund capital grant.

It was reported that, the College had made an application for a £540k Condition Fund capital grant from the SFA, stating why the College could not match fund in the normal manner, welcoming confirmation both of the College's success in securing funding and receipt of payment. In response to questioning, members were advised of:

- Proposals for the making of substantial improvements to the fabric of Brunel Building and network upgrades currently committed against the capital budget, noting that most would not only improve the fabric of the building but also with reduced energy usage, improved Estates running costs.
- The positive impact on cash flow with a reduced expenditure against the College capital budget.

Following discussion, the report was noted.

3.3 Summary of & recommendations from the CQS Committee, 5/02/14

An overview of the business of the meetings was presented and the substantive items for consideration presented:

3.3a Curriculum Strategy Update Report

A report was presented updating members on progress with the College's Curriculum Planning and Development Strategy.

The report was noted.

4 ITEMS FOR INFORMATION ONLY

4.1 Minutes and Items of Note from the Learner Voice Committee, 05/03/14

An overview of the business of the meetings was presented and noted.

4.2 Clerk's Update

The Clerks' report was received updating members on the latest national governance developments and the Corporation's performance against its targets for the year to date summarised in the Governance Development Plan.

Reviewing the Report and Plan:

- 4.2.1 The position to date was noted of the target for members to make use of the intranet site. Acknowledging the need to make better use of the facility, it was requested for the Clerk to the Corporation to re-circulate the details for accessing the site along with a reminder of members' user names and passwords.
- 4.2.2 There was consideration of the recently published report by the Skills Funding Agency (SFA) following investigation into allegations made by a whistle-blower concerning the funding of "ghost learners" and financial mismanagement at a sector college. There was discussion of the report and the observations regarding the College's governance arrangements that had formed part of the review, recognising the collective impact of the individual findings cited.

The report was noted.

4.3 Minutes of the Health & Safety Committee Meetings

The Minutes of the Health & Safety Committee Meetings were received and noted.

4.4 Minutes of the Equality & Diversity Committee Meetings

The Minutes of the Equality & Diversity Committee Meetings were received and noted.

5. PRINCIPAL'S REPORT

5.1 Principal's Report & College Development Plan

The Principal's Report and the Development Plan for the year was received.

After noting the Development Plan update the Report was reviewed:

- 5.1.1 Noting in particular the national update on the latest funding policy, changes to funding rules and forthcoming funding cuts; and the recent change, especially the outcome of the actuarial valuation of the Teachers' Pension Scheme. The consequences of which were discussed noting the implied the requirement for an increased percentage employer contribution from 1 September 2015, necessitating the need for colleges to look at over the coming months and model the prospective impact on finances.
- 5.1.2 Welcoming confirmation of and extending congratulations to the Level 2 Beauty students who had been successful in winning the recent Annual Enterprise Event.

Following discussion, the report was noted.

6. OTHER BUSINESS, MEETING EVALUATION & DATE OF NEXT MEETING

6.1 Any Other Business

There was none.

6.2 Date of Next Meeting

Corporation Meeting, Wednesday 9 July 2014

6.3 Meeting Evaluation

Members completed the meeting evaluation forms and the meeting closed.