

**HARROW COLLEGE FURTHER EDUCATION CORPORATION
MINUTES OF THE MEETING OF THE CORPORATION
WEDNESDAY 17 MARCH 2010**

1. CORPORTION DEVELOPMENT SESSION

A presentation was received from the Teaching & Learning Improvement Manager on the College's Tanzania Project.

The Teaching & Learning Improvement Manager was thanked for an informative presentation.

2. PRELIMINARY PROCEDURAL MATTERS

2.1 Attendance & Apologies for Absence

Membership:	John Cowan	(Until item 3.2)
	Nick Davies	(Until item 5)
	Sandra Ernstoff	(Chair)
	Alf Filer	(Until item 7)
	Niki Joshi	(Until item 7)
	Thomas Kamalach	(Until item 7)
	Anna Kyprianou	(From item 3.1.3)
	Tony Medhurst	(Principal)
	Steve Marsden	
	Gill O'Brien	(Until item 7)
	Patrick O'Dwyer	
	Ketan Sheth	

In attendance:	Afshan Baksh	(Item 1 only)
	Pat Carvalho	
	Jayne Chaplin	(Clerk)
	Rena Prindiville	

Apologies: Rosy Crehan

It was reported that the Director of Learner Services, who had been due to attend as part of the presentation to the Board, was unexpectedly absent due to illness. The Chair on behalf of the Board extended its good wishes to Mr. Vesey and wished him a speedy recovery.

2.2 Chair's & Clerk's Announcements

There were none.

2.3 Declarations of Interest, Confidential Items & Agenda Order

Declarations of Interest were received from Mr. P O'Dwyer and Mr. J Cowan as employees of Harrow Council.

It was **RESOLVED** that:

2.3.1 Item 3.1.4 would be taken as the first item of business.

2.3.2 Item 7 would be taken as a confidential item; and that the staff and student members would withdraw in accordance with the Corporation confidentiality policy.

2.4 Minutes of the Meeting 16 December 2009

The minutes of the Meeting held on 16 December 2009, were agreed as a correct record and signed by the Chair.

2.5 Matters Arising

Curriculum Links (Minute 2.4)

Members were advised that the Curriculum Links Programme had now been finalised and the details circulated accordingly.

Principal's Report (Minute 5.1)

Members were advised that the issues regarding planning and funding and the role of the Collegiate discussed at the last meeting would form a substantive item for discussion in due course.

3. ITEMS REQUIRING FORMAL APPROVAL, ADOPTION OR ENSDORSEMENT

3.1.4 Property Update

A report was received updating members on the College's property plans along with a tabled paper on a proposal to negotiate a lease on an additional unit at the Whitefriars Centre

In respect of:

3.1.4.1 The overall College property plans, it was reported that there had been no further information from the LSC regarding capital funding and that it was anticipated that there would be no new money available in the short term. It was noted that even when funding became available, it was not anticipated to be sufficient to fund a project the size of One Harrow so the College would need to operate from its existing estate for at least a five year period. It was noted that it was proposed to engage professional support in the development of the new Property Strategy within an estimated budget for stage 1 of £50,000, approval for which was given by the Resources Committee at its last meeting.

3.1.4.2 The Whitefriars Centre, members were advised that an opportunity had recently arisen for the occupation of an additional unit. It was reported that because of the

Unit's success the College's strategy was to provide progression opportunities up to level 3 programmes proposing to provide additional facilities. It was noted that a further unit was available for lease at a rental of £27.5k per annum on terms directly comparable to those for the unit that the College currently occupied. Members were advised that the preliminary scheme provided for two classrooms, an electrical test centre and a plumbing workshop, which would also release space on the Harrow Weald campus for other uses. It was noted that the conversion costs were estimated at about £220,000 inclusive of VAT based on the current scheme and that town planning consent would be required as will be landlord's consent for the alterations.

There was a discussion of:

- 3.1.4.3 The success of the Whitefriars Centre and the plans for expansion to provide further progression opportunities.
- 3.1.4.4 The rental and terms on which the lease could be obtained; and the potential risks in the context of learner numbers and funding.

After consideration, it was **RESOLVED** to:

- 3.1.4.5 **APPROVE** the proposal for the lease of an additional unit at the Whitefriars Centre on the terms outlined and subject to the necessary consents.

3.1 Verbal Update on the Resources Committee, 03/03/10

The minutes of the 27 January and a verbal update on the 3 March 2010 meeting were received along with the main items of business from that meeting:

3.1.1 Management Accounts (February 2010)

The Management Accounts for February 2010 were received.

It was **RESOLVED** to:

- 3.1.1.1 **NOTE** the Management Accounts

3.1.2 Reforecast Budget 2009/10

The re-forecast budget 2009/10 was received.

It was reported that although the College was on target to achieve its learner numbers and funding plans, a deficit of £367k was now forecast in contrast with the budgeted surplus of £53k originally approved by the Corporation.

Members were advised that in respect of expenditure all budget lines would continue to be closely monitored, with only essential expenditure being approved. It was noted that a further review of staff costs was to be undertaken to identify any additional savings, whilst simultaneously ensuring that the reforecast spend for part-time costs was not exceeded.

It was noted that a pay award of 1% with effect from 1 April 2010 was to be paid, which whilst recognised as disappointing for staff, was considered to be what was affordable in the current climate.

After discussion and on the recommendation of the Resources Committee, it was **RESOLVED** to:

3.1.2.1 **APPROVE** the reforecast budget as outlined.

Ms A Kyprianou joined the meeting at this point.

3.1.3 Draft Budget 2010/11

The draft budget 2010/11 was received, which it was noted remained unconfirmed pending formal confirmation of the final funding allocations.

The key targets for both learner numbers and funding allocations were summarised, which it was noted whilst subject to confirmation, essentially represented a significant cut in funding for 2010-11:

3.1.3.1 In respect of 16-18 provision, the College would have an overall increase in learner numbers of but with a very marginal increase in funding to support the additional learner numbers

3.1.3.2 For 19 + provision, in the event that a cut in funding of 10% was anticipated, the impact of which would be to reduce the 19+ target funding from the 2009-10 level by 10% with a proposed 2010-11 budget of £4.573m; a reduction of £528k.

3.1.3.3 All colleges have been advised of an across the board cut of 20% in funding for all Employer Responsive Provision: a reduction of £190k for the College.

In addition, members were advised that the LSC was proposing to reduce the Additional Learner Support funding and that the College had put forward a Business Case for increased funding to assist the wide range of learners requiring considerable support.

With regard to expenditure, it was reported that:

3.1.3.4 Pay expenditure assumed the provision of a staff pay award and incremental increases; and it was noted that National insurance contribution rates were forecast to increase by 1% from April 2011.

3.1.3.5 Most non- pay expenditure was currently set at 2009/10 rates except for franchise provision where there was an increase of £220k associated with more outsourcing of train to gain provision. It was noted that non- discretionary costs such as utilities would be revisited once there was more clarity.

Members were advised therefore that although the College was aiming for a surplus of £50k, the initial draft budget showed a deficit of £580k, highlighting a planning gap of £630k attributed to the significant decrease in LSC income; coupled with increased staff costs associated with increments, increased NI costs and pay awards.

It was acknowledged that a deficit budget was unacceptable and that the College was preparing an action plan that would aim to achieve a balanced budget. There was an extended discussion of:

3.1.3.6 The transition from the LSC to the new funding arrangements

3.1.3.7 The level of cuts being imposed nationally and on the College; and in respect of the latter, the implications for the College.

3.1.3.8 The 19+ learners funding cuts, which represented a reduction of £528k on 2009/10 funding. It was noted that a business case had been submitted outlining the potential impact both educationally and financially to the College and the local and wider communities, and this is under review by the LSC.

3.1.3.9 The grant for exceptional support funding associated with the aborted property project, which had had a positive effect on the College's the current cash flow.

3.1.3.10 The review of expenditure and costs cutting in general and staff costs in particular, in the context of achieving a balanced budget. It was noted that the budget remained in draft format pending the conclusion of the review of expenditure and final confirmation of funding allocations.

After further consideration, it was **RESOLVED** to:

3.1.3.11 **NOTE** the 2010/11 draft budget.

3.2 Minutes of the Learner Voice Committee, 11/11/09

The minutes of the Learner Voice Committee were received.

It was **RESOLVED** to:

3.2.1 **APPROVE** the minutes.

3.3 Minutes of the Curriculum, Quality & Standards

The minutes of the Curriculum, Quality & Standards Committee were received.

It was **RESOLVED** to:

3.3.1 **APPROVE** the minutes.

4. OTHER ITEMS FOR INFORMATION PURPOSES ONLY

4.1 Progress against Target: Update Report

An update was received advising members of progress against targets.

It was reported that;

4.1.1 Targets were currently being met with plans to exceed 16-18 learner numbers; and

4.1.2 The measurable target for 19+ learners was funding and that currently the College was generating funding of over £400k above plan. It was noted that all further recruitment would therefore be reviewed and implemented only where there were no additional costs or where fee income as sufficient to cover costs and generate a contribution.

There was a discussion of the current position, noting that although in a much stronger position than in 2008/09, recognising the success of the Whitefriars provision, it remained important to maintain a careful overview and = monitoring to ensure full achievement of learner targets and associated funding.

After consideration it was **RESOLVED** to:

4.1.3 **NOTE** the update.

4.2 Funding 2010/11

See Minute 3.1.3

4.3 Curriculum Strategy Report

The Curriculum Strategy Update Report was received updating members following the discussions that had taken place at the Corporations' recent away-day.

After consideration, it was **RESOLVED** to:

4.3.1 **NOTE** the update.

4.4 Sector Update Report (inc. AoC Circulars)

The Sector Update Report was received and noted

4.5 Minutes of the Health & Safety committee

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

4.6 Minutes of the Equal Opportunities committee

The Minutes of the Equal Opportunities committee were received and noted.

5. PRINCIPAL'S REPORT

5.1 Principal's Report

The Principal's Report was received, the highlights of which included:

- 5.1.1 That, as one part of the overall employability strategy, the College had been working hard to work more closely with the Job Centre Plus agenda. It was noted that the Vice Principal had secured an agreement for a presence in the College for one day a fortnight.
- 5.1.2 The success of one of the College's students, Suriya Beesley, as a Salon Culinaire medal winner 2010 (gold) for miniature sugar flowers. The Board extended its congratulations accordingly.
- 5.1.3 The outcome of the recent trips to Beijing and Vietnam in the progression of the College's work with Language Link. It was noted that plans were underway to finalise some of the project delivery arrangements and the recruitment of Vietnamese students being around the half term in the summer term. Members were advised however, that the on-going visa situation for Chinese students remained extremely damaging for UK education.
- 5.1.4 That following the report at the last meeting of the negative headlines that had appeared in the local press, a retraction was subsequently published. It was noted that a meeting had been set up between the College and the Editor in order to encourage a more positive relationship, in anticipation of more balanced and favourable coverage in the future.

There was a discussion of the report and after consideration it was **RESOLVED** to

- 5.1.5 **NOTE** the report.

Mr N Davies left the meeting at this point.

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

6.1 Any Other Business

There was none.

6.2 Date of Next Meeting

Wednesday 14 July 2010

6.3 Meeting Evaluation

The meeting evaluation was completed and the meeting closed.