

**HARROW COLLEGE FURTHER EDUCATION CORPORATION
MINUTES OF THE MEETING OF THE
RESOURCES COMMITTEE
WEDNESDAY 27 JANUARY 2010**

1 PRELIMINARY PROCEDURAL MATTERS

1.1 Attendance, apologies for absence

Membership: Nick Davies
Sandra Ernstoff (Chair)
Anna Kyprianou
Tony Medhurst (Principal)
Steve Marsden

In Attendance: Jayne Chaplin (Clerk)
John Cudmore
Rena Prindiville
Matthew Westmore

1.2 Declarations of Interest

There were no declarations of interest.

1.3 Minutes of Previous Meeting

The minutes and confidential minutes of the meeting held on 2 December 2009, were confirmed as a correct record, and were signed by the Chair, subject to the amendment of members present to include Nick Davies.

1.4 Matters Arising

There was no Matters Arising.

2 FINANCIAL MATTERS

2.1 Management Accounts

The Management Accounts for December 2009 were received.

It was reported that the position at the end of October 2009 showed a surplus of £1.459m compared to a planned surplus of "1.253m, a positive variance of "296k. It was noted that this was attributed to increased income of £138k and a decrease in expenditure £68k compared to plan.

Members were advised however, that although the College appeared in a much stronger position than the previous year, in relation to the recruitment of 16-18 and 19+ adult

funding, it remained important that recruitment continued and learner numbers and income generation continued to be monitored to ensure achievement of target.

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

2.2.1 **NOTE** the Management Accounts.

2.2 Re-forecast Budget

The re-forecast budget 2009/10 was received.

2.3 Funding 2010/11

A report was received on recurrent funding for 2010-2011.

Members were advised that 2009-2010 was a transitional year for all Colleges, with the LSC transferring its functions to Local Authorities (for 16-19 provision), the Skills Funding Agency (for post-19 provision) and the National Apprenticeship Service (for Apprenticeships).

It was reported that:

2.3.1 In respect of 16-19 provision, from April 2010, local authorities would assume responsibility for the commissioning and funding of 16-19 provision and that the key points for the College:

- Were the focus on NEET learners (students not in employment, education or training), the increase in the quantity of Diploma provision at Level 3 and Level 2 and in the quantity of Apprenticeship provision; and
- Was ensuring that all Entry Level and Level 1 courses offered the Foundation Learning curriculum and lead to a Foundation Learning qualification as defined by QCF
- Was that funding rates would be unchanged in 2010-2011, which implied a 1% real terms funding cut
- Was that the SLN ratio to be lower of the allocated 2009-2010 and actual 2008-2009 outturn, but taking account of the shift to full-time delivery, the introduction of diplomas, or pre-arranged infrastructure changes.

It was noted that the actual 2008-2009 outturn was 1.36 compared with an allocation for 2009-2010 of 1.45, against which the College was currently generating an actual SLN of 1.40. It was reported that in the first round of negotiations the College was allocated an SLN ration of 1.35 and that, a business case had been put forward to increase this to a minimum of 1.38.

2.3.2 With regard to Adult Funding, from April 2010, Adult funding (including Train to Gain and Apprenticeship provision) would be allocated by the Skills funding Agency and that the key points for the College were:

- Lower funding available for adults with further shift of funds into Apprenticeships, Train to Gain and programmes for the unemployed, with lower investment in lower priority developmental learning.
- In year claw back and rebasing of targets for those Colleges that do not achieve their funding profile and targets.
- The national funding rate per Adult SLN will reduce from £2,817 to £2,732, so a cut in funding of £85 per SLN.
- The national funding per SLN for 19-24 Apprenticeships will be £2,732 and £2,186 for 25+ Apprenticeships.
- For Train to Gain provision the national funding per SLN will be £2,727
- No allocation in 2010-2011 will exceed 95% of the 2009-2010 allocation – for Harrow this equates to an overall year on year reduction in funding of £265k excluding inflation.
- The 2009-2010 funding allocation will be used in setting the maximum allocation and the calculation of any transitional funding as a result of significant cuts in funding.
- Fee assumption will increase to 50% with greater focus on achievement of fee income targets for all providers.

There was consideration of the 2010/11 recurrent funding and it was noted that:

2.3.3 In respect of the College Bid for 16-18 learner numbers Target learner numbers for 2009-2010 was 2179 with a predicted outturn of 2217. College bid for 2010-2011 is 2260 learners (approximately 80 above 2009-2010 target) as follows:

- Year on year increase of 56 learners associated with increased recruitment for NEETS learners and learners to Whitefriars Training Centre. This is conservative because as yet we have not had a full year recruitment programme to Whitefriars.
- In agreement with Stanmore College and in line with changing priorities for both colleges, around 70 foundation level students will be transferred from Stanmore to Harrow College.

It was reported that the College believes that this bid for growth of around 80 learners not only meets all of the objectives and growth criteria of the Regional Planning Group, but is very conservative with the likelihood that this number will be exceeded.

2.3.4 Regarding Adult Funding for 2007-2008 and 2008-2009 the College achieved 97%+ of its funding targets, and therefore was not subject to claw back of funding. Members were advised that For 2009-2010 the College was currently generating funding of £5.319m compared to a target of £5.281m – an increase of just under 1% above target funding level. It was noted that College Managers are currently in the process of negotiation budgets and learner numbers with the Skills Funding agency shadow team and further updates will be provided regarding progress.

After discussion it was **RESOLVED** to:

2.3.5 NOTE the report.

2.4 Annual report on Insurance Claims 2008/09

The Annual Report on Insurance Claims 2008/09 was received.

After consideration it was **RESOLVED** to:

2.4.1 NOTE the report.

3 HR MATTERS

3.1 HR Update

The HR Update Report was received advising members on current developments in Human Resources, the highlights of which included:

3.1.1 The 2009/10 Pay Award about which it was noted that the UCU had balloted members unsuccessfully on industrial action. Members were advised that it was currently unclear whether UCU would now accept the 1.5% pay recommendation.

3.1.2 The disability equality update and the joint agreement guidance on disability equality in employment.

There was a discussion of the report and in particular the 2009/10 pay award, whether a pay award should be made and timescales within which the implementation of any pay award may take place. It was noted that:

3.1.3 There was another Committee meeting scheduled to take place in March.

3.1.4 A decision about any award would be made once further information had been received from the LSC about the College's future funding.

After consideration it was **RESOLVED** to:

3.1.5 NOTE the report.

4 OTHER BUSINESS & MEETING EVALUATION

4.1 Other Business

There was none.

4.2 Date of Next Meeting

Wednesday 3 March 2010

4.3 Meeting Evaluation

Members completed the meeting evaluation forms and the meeting closed.