

**HARROW COLLEGE FURTHER EDUCATION CORPORATION  
MINUTES OF THE MEETING OF THE  
RESOURCES COMMITTEE  
WEDNESDAY 2 JULY 2008**

**1 PRELIMINARY PROCEDURAL MATTERS**

**1.1 Attendance, Apologies For Absence & Chair**

**Membership:** Gillian Eldridge (Chair)  
Clifford Hurst  
Tony Medhurst (Principal)  
Jayshree Radia  
John Steady

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

**1.2 Declarations Of Interest**

There were no declarations of interest declared.

**1.3 Minutes of Previous Meeting**

The Minutes of the Meeting held on 12 February 2008 were confirmed as a correct record, and signed by the Chair subject to the amendment of the minutes to reflect the attendance of Mr John Cudmore.

**1.4 Matters Arising**

**Progress on Targets: Term I Update Report (Minute 2.2.3)**

It was noted that there would be a report updating the Corporation on the key curriculum developments being put into place for the College to deal effectively with the changes in LSC funding and increased competition in the local area

**Reforecast Budget 2007/08 (Minute 2.3.16)**

It was reported that a report on tuition fees would be the subject of further consideration at the October meeting.

**2 FINANCIAL MATTERS**

**2.1 Management Accounts**

The Management Accounts for May 2008 were received.

Members were advised that the position at the end of May showed a surplus of £441K against an original budget of £50K, although this position was expected to reduce.

It was noted that the positive variance could be attributed to:

- 2.1.1 Up-front payments from the LSC due to a change in profiling.
- 2.1.2 Additional project income and increased tuition fee income

Members were advised that NWLCC's financial situation had further deteriorated and that advice had been received from the Company's auditors at the last Board meeting that the Company should go into immediate creditor's liquidation.

It was noted that in the circumstances the College would need to write-off £75K, which it was considered would be advisable to occur in the current rather than the 2008/09 financial year.

There was a discussion of the current financial position and members endorsed the view that the write-off should occur in the current rather than the 2008/09 financial year and congratulated the management team in exercising such tight financial control to maintain the positive financial position.

After consideration it was **RESOLVED**:

2.1.3 To **NOTE** the report.

## **2.2 Progress on Targets: Enrolment 2007/08**

A report and brief presentation was received outlining progress on targets and the strategies already implemented and planned to address the shortfall in numbers.

It was reported that the under-recruitment in September 2007 meant that LSC targets were not met, particularly for 16-18 funding stream, and that steps had been introduced to close the gap by recruiting throughout the year, where possible.

Members were advised that:

2.2.1 There was a shortfall of 296 in the 16-18 (inc p/t) and Skills for Life targets 296 and 237 respectively. It was noted that over 200 collegiate students were enrolled in one or more AS/A2 subject in the College, which equated to approximately 70 FTE learners, reducing shortfall to 226 learners.

2.2.2 There was a shortfall in the targets for 16-18 Collegiate and 19+ full time of 5 and 22 respectively

2.2.3 19+ part time, full level 2 and full level 3 had all exceeded target by 33, 27 and 31 respectively.

There was a discussion of the performance against the learner number targets and the financial implications that would be reflected in 2008-2009 funding.

After consideration it was **RESOLVED**:

2.2.4 To **NOTE** the report.

## **2.3 Budget 2008/09**

A report was received advising the Committee of the reforecast income and expenditure budget proposal for 2008/2009 for the College, and the underlying assumptions underpinning the reforecast.

It was reported that for 2008/09:

2.3.1 the Government's priorities for the LSC had been set out in the November 2007 grant letter from the Secretary of State for Department for Children, Schools and Families (DCFS) and the Department for Innovation, Universities and Skills (DIUS).

2.3.2 The funding formula has changed and the LSC would fund provision through three main funding models 16-18, Adult Learner Responsive and Employer Responsive

2.3.3 The College therefore was nearly £1.5m below target funding for 2007-2008 and that although LSC had confirmed that there would be no claw-back in the current year, it would be reflected in 2008-2009 funding.

2.3.4 Negotiations with London West LSC had resulted in the College receiving a 16-18 target learner number of 2,350, generating funding of £10.424m for 2008-

2009, representing a year-on-year reduction in funding for the College of over £500k.

- 2.3.5 It had been confirmed that Adult Responsive funding would be maintained at 2007-2008 levels with a marginal inflationary increase of .2%, generating funding of £5,318,171.
- 2.3.6 It had been confirmed that Employer Responsive allocation had been confirmed as funding of £837,507 for a target of 800 employer responsive learners.

It was noted that the targets were considered to be challenging but that they would provide an opportunity to demonstrate not only the College's ability meet LSC and Government priorities, but also to extend its range of provision and opportunities for students.

There was a discussion of the detailed assumptions underpinning the 2008/09 budget including:

- 2.3.14 The claw back expected for 2008/09 and the financial implications.
- 2.3.15 The degree of reliance placed on LSC income and that generated in providing administrative services provided to the Collegiate; and the need to work towards reduce such reliance in future years.
- 2.3.16 **CONFIDENTIAL MINUTE**

After consideration it was **RESOLVED** to:

- 2.3.17 **RECOMMEND** to the Corporation the **APPROVAL** of the proposed budget for 2008-2009.

#### 2.4 Financial Forecast 2008/11

The Financial Forecast for 2008/2011 was received, including the proposed budget for 2008-2009 and the draft forecast budgets for 2009-2010 and 2010-2011.

Members were advised that:

- 2.4.1 The financial plan was consistent with the ten year plan submitted as part of the College In Principle Capital Funding Bid and would be reflected in the College's Detailed Capital Funding Bid that would be shortly be submitted to the LSC.
- 2.4.2 Any individual year's budget would also be consistent with the plan, but may, also reflect exceptional circumstances.
- 2.4.3 Modest surpluses were predicted in each of the three years

There was a discussion of the underlying income and expenditure assumptions and the sensitivity analysis.

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

- 2.4.4 **RECOMMEND** to the Corporation the **APPROVAL** of the Financial Forecast for 2008-2011.

#### 2.5 Capital Works

A report on the proposed capital works proposed for 2008/09.

It was reported that capital projects and capital equipment requirements had been identified that focussed on maintaining the building for the next three years and endeavoured, taking into account the planned move to One Harrow, to reduce both the expenditure on capital projects that would show little benefit and building maintenance works to zero wherever possible.

It was noted that an allocation of funds totalling £507,500 was recommended that comprised five projects, driven to meet curriculum demands, a streamlining of administrative functions and the continued support of the College IT infrastructure. After discussion it was **RESOLVED** to:

2.5.1 **NOTE** the report.

## 2.6 Financial Regulations & Procedures

A report on a review of the College's Financial Regulations and Procedures was received.

Members were advised that the College's financial regulations and procedures were presented annually for approval.

It was noted that the only amendment made was in response to an internal audit recommendation made in November 2007 in relation to the treatment of the disposal of fixed assets.

After discussion it was **RESOLVED** to:

2.6.1 **APPROVE** the College's Financial Regulations and Procedures as outlined.

## 2.7 Franchise & Partnerships

A report was received updating the Committee on the College's franchise and partnerships for 2007/08 and those proposed for 2008/09.

With regard to the 2007/08 contracts it was noted that:

2.7.2 Successful completion of the collegiate franchise resulted in the College delivering programmes to over 200 students with associated funding of £234K.

2.7.3 Services provided to the collegiate for administrative support had realised additional funding of £394K.

2.7.4 Small ESOL franchises with North London ITeC had supported delivery of the College's 19+ adult funding and targets.

2.7.5 The contract with the Shaw Trust had successfully delivered.

For 2008/09 members were advised that contracts were proposed:

2.7.5 For the provision of services to Collegiate Schools amounting to funding of approximately £297K.

2.7.6 Further funding of £275K associated with the provision of staff teaching hours and the delivery of programmes to students.

2.7.7 A further contract with North London ItEC, assuming that the exam results and success rates were good

2.7.8 A direct Train to Gain contract to work with sub-contractors as well as working and delivering programmes via the College for Business.

There was a discussion of the activity for 2007/08 and the contracts proposed for the forthcoming year and it was **RESOLVED** to:

2.7.9 **RECOMMEND** to the Corporation the **APPROVAL** of the franchise and partnership activity proposed for 2008/09.

## 2.8 Harrow College Collegiate Agreement

A report outlining the terms of the Harrow Collegiate Agreement comprising a Memorandum of Agreement, Articles of Governance and Terms of Reference was received.

Members were advised that the Memorandum described that commitments and duties of members of the Harrow Collegiate that the College was required by the Collegiate Partnership Board to sign.

There was a discussion of the documentation and after further consideration it was **RESOLVED** to:

2.8.1 **APPROVE** the Harrow Collegiate Agreement.

### **3 HR MATTERS**

#### **3.1 HR Report**

The HR Report was received updating members on current developments in Human Resources, including

3.3.1 National Pay Negotiations for 2008 /2009 and Industrial Action. It was noted that in response to the claim for a pay rise of 6%, the AoC had made a recommendation of an increase of 2.5%, but that Colleges remained responsible for their own pay policies and any national agreement that might be reached by the AoC with the trade unions serves as a recommendation to Colleges. Members were advised that Harrow College had currently budgeted for a 2.5% pay rise for all staff for 2008 /2009.

3.3.2 Amendments to the contracts of employment for managers. It was reported that there had been no substantial modifications to the Harrow College Manager Contract of Employment since the College was established in 1999 and that in consultation with the recognised trade unions for lecturers agreement had been reached on changes, predominantly in-line with legislative changes and developments in the sector that had taken place since the initial contract was originally agreed.

3.3.3 Changes to the College's Race Equality Policy and Code of Practice and the introduction of a new Religion or Belief Equality Policy.

It was noted that both policies had, new or amended in line with legislation, had been agreed in consultation with the trade unions

3.3.4 Changes under the Immigration, Asylum and Nationality Act 2006 following the introduction of new rules on the prevention of illegal working introduced from 29 February 2008. It was noted that the College was responding to the requirements and the systems were in place for the appropriate checks to be undertaken.

3.3.5 The introduction of a new initiative, the Bike-scheme, available to all permanent members of staff, employed with the College for more than a year, the providing an opportunity to obtain a bike for commuting to work.

After discussion it was **RESOLVED** to:

3.3.6 **NOTE** the report.

#### **3.2 HR Policies**

See Minute 3.1

#### **3.3 Annual Equality Report**

The Annual Equality Report was received summarising the key equality developments for the academic year 2007/2008 including:

3.3.1 The updating and reviewing relevant policies and procedures, taking into account most recent changes in employment legislation.

3.3.2 new/revised policies were established during the year in the light of new employment legislation

- 3.3.3 The Learner Involvement Strategy a forum for student views and involving students in decision making will increase participation, retention, progression, and achievement, and improve the quality of the teaching and learning and support services and facilities provided for students.
- 3.3.4 A career development programme established by the seven colleges in West London for black and minority ethnic staff currently working in the colleges who wish to aspire to management roles. It was noted that the programme formed part of an over-riding aim by all colleges to increase the number and profile of BME managers at all levels so that it more realistically reflected the profile of BME individuals in our local communities. Members were advised that there had been a positive response to this career development scheme at the College.

There was a discussion of the statistics provided and it was agreed that it would be helpful for future reports to provide a summary of the statistics, highlighting those areas requiring attention and the strategies being put in place intended to address any issues.

### **3.4 Gender Equality Report**

See Minute 3.3

### **3.5 Public Interest Disclosure Policy**

A report was received reviewing the College's Public Interest Disclosure Policy.

It was reported that the College had a Public Interest Disclosure (Whistle-blowing) Policy and Procedure, which was intended to provide safeguards to enable employees to raise concerns about malpractice inside, and if necessary, outside the College and to promote throughout the College a culture of openness and a shared sense of integrity.

It was noted that the Policy had been adopted by the Corporation in December 2003 and that it was good practice to periodically review College policies and procedures.

Members were advised that the Policy and procedure has been reviewed and that amendments were proposed to address changes to College personnel since the Policy was adopted and changes to those government departments to which the Policy refers.

After discussion it was **RESOLVED** to:

3.5.1 **APPROVE** the Policy as amended.

## **4 PROJECT REPORTS**

### **4.1 NWLCC Update Report**

A verbal report was received updating the Committee on NWLCC's progress following the Corporation's agreement to a debenture at its October meeting.

Members were advised that the Company's financial situation had deteriorated and that advice had been received from the Company's auditors at the last NWLCC Board meeting that the Company should go into immediate creditor's liquidation.

It was noted that in the circumstances the College would need to write-off £75K, which it was considered would be advisable to occur in the current rather than the 2008/09 financial year.

It was reported that further discussions would be taking place with the Principal of Stanmore College to ascertain more fully how matters would be proceeding.

After discussion it was **RESOLVED** to:

4.1.1 **NOTE** the report.

**5 ANY OTHER BUSINESS & MEETING EVALUATION**

**5.1 Any other business**

No other business was raised.

**5.2 Date of Next Meeting**

TBC

**5.3 Meeting Evaluation**

Members completed the meeting evaluation forms and the meeting closed.