



Halesowen College

Minutes of the Finance and Resources Committee

held 11 November 2009

Present: Paul Downing (*Chair*), Alison Perks (*Vice Chair*), Keith Bate, George Kasper, Phil Osborne, Alison Shipway, Pam Thomas

In attendance: Jacquie Carman (*Director of Finance and Administration*)
Jenny Jerina (*Personnel and Quality Director*)
Andy Comyn (*Prospective Governor*)
Jennifer Sunter (*Clerk*)

• Presentation: Vetting and Barring Scheme

Jenny Jerina gave a detailed presentation on the introduction of the Vetting and Barring Scheme. This included an outline of the core purpose of the scheme, functionality and timetabled changes for the forthcoming twelve to eighteen months including College actions.

Jenny Jerina further explained the relationship between the Vetting and Barring Scheme and the CRB checks, the impact of registration and the support from the Independent Safeguarding Authority, with access to a free online service for employers to check individual registration status.

Members asked a number of questions on portability of the registration and potential difficulties arising from allegation as opposed to conviction disclosures made under CRB.

(It was agreed that item 9 be taken as the last item on the agenda before any other business).

1 Apologies

There were none.

2 Declarations of Interest

Jacquie Carman, George Kasper and Jennifer Sunter declared their interest under agenda item 8: Framework for Pay and Conditions of Service.

Keith Bate declared his interest under agenda item 9: Remuneration of Senior Post-holders.

3 Minutes of Meeting held 23 June 2009 and Matters Arising

The minutes of the meeting were approved as a correct record. There were no matters arising.

4 Annual Health and Safety Report

Jenny Jerina presented the annual report. With regard to accidents and incidents there had been a reduction in minor injury incidents, RIDDOR reportable accidents and learner accidents and an increase in staff non-minor incidents with the number of RIDDOR reportable incidents remaining the same.

A Spring Clean initiative had been undertaken in response to accidents involving dropped litter and feedback on Block Inspection Forms. This had been effective in engaging staff and students to take further responsibility for safety in their environment.

Jenny Jerina explained that the high number reported against infant minor injuries reflected the requirement of nursery to record all marks and bruises to children which were not necessarily resulting from accidents.

Staff training was outlined including induction and further training in manual handling, EVAC and Chair Training and Risk Assessment Training. The need to add three further First Aid staff had been identified and was being addressed.

Fire Safety arrangements were reported including updates to doors which allowed them to be held open for ventilation with automatic closure upon a fire alarm.

Members noted that some actions resulting from the Health and Safety had been overtaken with a change in priorities. Work with the Learning and Skills Council Health and Safety Strategy team was also overtaken by the imminent transfer of Learning and Skills Council responsibilities.

The report was received.

5 Health and Safety Minutes

The minutes of the Health and Safety Committee meeting held on 9 June 2009 were received.

6 Personnel Review

Jenny Jerina presented the annual review of personnel.

Staffing levels remained constant with a higher than average turnover attributed to retirement and completion of fixed term contracts. Staff absences revealed little variance and compared favourably with the public sector absence rate. Appointments had been undertaken though some vacancies remained.

Phil Osborne and Alison Perks asked a number of questions on staff levels, including recruitment and succession planning, increased student numbers and management of long term absence. Jenny Jerina outlined the College procedures responding to long term staff absence including occupational health and redeployment. With reference to vacancies Keith Bate explained how the process was managed through the deployment of existing staff, short term contracts where appropriate and sessional staff. Keith Bate indicated that there were some areas of pressure and referred to the action to limit student intake on some course provision in September 2009.

A further report on staff deployment would be provided to the committee.

Action: Keith Bate

Under Equality and Diversity statistics Alison Shipway asked about staff and student levels. Jenny Jerina explained that the staff profile continued to be carefully monitored. College staff ethnicity profile did not match the student profile it exceeded that of the local population, a point recently commended by Ofsted.

With reference to Continual Professional Development members noted the success of the Recognition, Reflection and Reward Scheme and the examples of particular staff achievement.

The report was received.

7 Staff Survey

Jenny Jerina outlined the results of the survey with a vastly improved participation rate partially due to the provision of a paper survey to sessional staff. In comparison to the benchmarked data of 61 colleges staff satisfaction was high in all areas except catering, cleanliness and tidiness.

An analysis of the individual free text comments was provided. A range of planned actions was reported in response to areas raised.

Alison Shipway asked about some staff not knowing the College senior managers. Jenny Jerina responded that this could reflect the greater survey response from sessional staff; that the College had become a larger organisation and that introduction to senior managers at induction had recently changed. The planned actions included implementation of improved arrangements.

The report was received.

8 Framework for Pay and Conditions of Service

Keith Bate outlined the historical position leading to the current Framework for Pay and Conditions including consultation through the Staff Council. An area arising was that of recognition of course and subject leader roles. These key roles and their development was discussed.

The Finance and Resources Committee supported the Principal in exploring the recognition arrangements for course and subject leaders and to report back in Spring 2010.

Action: Principal

10 Annual Members Report and Financial Statements 2008/2009

Jacquie Carman presented the Annual Members Report and Financial Statements 2008/2009 showing an operating surplus of £932,000 prior to the transfer of £375,000 into the designated capital reserve. With reference to the balance sheet the tangible fixed assets had increased with the completion of Block 8 and liquidity remained strong. The overall financial position was in accordance with the budget. With reference to the auditor statements an unqualified opinion was indicated.

Under the Annual Members Report Jacquie Carman outlined the operational and financial review, strategic objectives, performance and development, key risks and uncertainties. Jacquie Carman further drew attention to the signature of the Chair on behalf of the Corporation on the Disclosure of Information to Auditors whereby members declare that they know of no relevant audit information of which the auditors are unaware.

Jacquie Carman detailed the key areas underpinning the Statement of Corporate Governance and Internal Control including responsibilities, purpose, risk and the control framework requiring the signature of the Chair and the Principal on behalf of the Corporation.

Overall the healthy position was noted.

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Annual Members Report and Financial Statements 2008/2009 and that the Statement of Corporate Governance and Internal Control be signed by the Chair and the Principal.

11 Halesowen College Enterprises Ltd Directors Report and Financial Statements 2008/2009

Jacquie Carman presented the accounts detailing the financial position of the College Company which had been consolidated within the College Annual Accounts.

The financial headlines included an operating profit of £21,597, lower than the previous year, reflecting the economic climate, which would be covenanted to The Halesowen Foundation.

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Halesowen College Enterprises Directors Report and Financial

12 Final Management Accounts 2008/2009

Jacquie Carman presented the report on any variance between budget and outturn figures. Overall the operating surplus as a percentage of income at 4.6% reflected the forecast level of 4.18%.

Under 'Learning and Skills Council Income' there was no variance on recurrent grant and some variance on non-recurrent grant such as Train to Gain. The College funding had not been capped and continued to recruit to Train to Gain and Apprenticeships.

Some variance under 'Higher Education Income' was reported due to late provision of information in relation to funding students changing from full time to part time courses.

A small variance on other income was noted reflecting investment income and some variance on pay which remained in accordance with targets. Jacquie Carman noted the deficit in relation to pensions (FRS17) which was higher than in previous years.

In relation to non pay members noted variance including an adverse variance against grants and student allowances and on premises in relation to maintenance work on Block 0.

The Finance and Resources Committee noted the July management accounts and the variance report.

13 Revenue Budget 2009/2010

Jacquie Carman presented the first review of budget with an overall balanced picture including the management of risks and achievement of targets. The College forecast operating surplus was £977,417, including adjustment re FRS17 pension liabilities of £278,000.

A £475,000 transfer to the designated capital was planned. The budget did not include disposal costs for Block 0 but with the realisation of further new build this would be addressed.

Jacquie Carman explained the current Learning and Skills Council income in relation to contract performance including changes to Train to Gain funding and indicated potential further funding in relation to students above contract through the recycling of funding from providers performing below contracted levels.

Interest income from investment was noted as continuing to be low.

A realistic view of increased teaching hours was taken and members noted that the ratio remained constant at the current time. Other budget increases included cleaning and student welfare.

The Finance and Resources Committee resolved to recommend that the revisions to Revenue Budget be approved.

14 Students Union Annual Accounts 2008/2009

Jacque Carman reported on the surplus achieved by the Students Union with a positive profile rebuilt since 2006/2007. Members noted the work undertaken including fundraising activities and charitable donations.

The Finance and Resources Committee noted the Students Union Annual Accounts 2008/2009 and approved the payment of the Annual Grant of up to £4,000, authorising the Principal to action the payment of resources based on recommendation of the Director of Finance and Administration following the audit of the final accounts.

15 Treasury Management/Investment Interest

Jacque Carman reported the detailed investment position including the spread of risk.

The Finance and Resources Committee resolved to approve the revised Appendix A of the Treasury Management Policy.

16 Learner Support Funds 2008/2009

Jacque Carman presented the annual report on the Learner Support Fund as at 31 July 2009 and explained the restrictions on any virement between Learning and Skills Council categories of funding. Overall the College had subsidised the fund by almost £60,000. The current year allocations had been reduced by the Learning and Skills Council. The College continued to concentrate support on students in need and now promoted support through a booklet.

The Learner Support Fund had been audited by Baker Tilly with no issues arising.

The report was received.

17 Financial Targets

Jacque Carman reported that all targets had been achieved or exceeded. Liquidity was strong and the College rating for Financial Management was 'Outstanding' under the Framework for Excellence. With regard the effect of Capital Development on financial health it was noted that the grade could move from 'Outstanding' to 'Good'.

The targets for the year ahead were proposed.

The Finance and Resources Committee considered the performance against College financial targets and resolved to approve the Financial Targets for 2009/2010.

18 Purchasing Update

Jacque Carman noted work undertaken with the Southern Universities Procurement Consortium had realised some tangible benefits. The College had also joined a consortia of UK Higher and Further Education institutions which would hopefully realise benefits on catering provisions.

The report was noted.

19 Capital Developments

Following the completion of Block 8 in May 2009 Jacque Carman presented the final account of costs with a very small variance on construction costs of 0.21%. The College had benefited from the reduced VAT rate and had kept professional fees in line with budget.

Keith Bate commended the work of Jacque Carman in management of the project.

Keith Bate updated members on the progression of planned future development. The College awaited Learning and Skills Council approval to build the proposed Block 9. Tenders for this were also due to be returned at the end of November. A potential further meeting of the Corporation could be called following a response from the Learning and Skills Council and the tender process.

Members noted the final account of cost and the potential extra meeting of the Corporation for 14 December 2009.

20 Accommodation Strategy

Jacque Carman presented the revised strategy which reflected the College position and strategic priorities.

Key points included that the calculation on floor space and room utilisation indicated that overall measurement of floor space was inadequate.

The proposal for further development commencing with Block 9 would address need in relation to type and mix of accommodation.

Keith Bate noted that the College had absorbed the extra intake in the current year but if a similar position arose in September 2010 strategic decisions regarding intake would be required. Members noted that it was not sustainable to maintain further short term growth without recourse to cost on short term accommodation or extension of the Collegiate model. Members further discussed the changing time for the sector including demographic trends and developments by other local providers.

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Accommodation Strategy.

21 Committee Terms of Reference

The Clerk proposed an amendment on membership.

The Finance and Resources Committee resolved to recommend to Corporation that the Finance and Resources Committee terms of reference increase the membership stipulations to read 'at least four other members' in addition to the Chair, Vice Chair and Principal.

George Kasper left the meeting.

Under Instrument 14 members resolved that staff members withdraw in relation to pay and conditions related solely to that member of staff or to staff senior to themselves.

Jacque Carman, Jennifer Sunter and Keith Bate withdrew from the meeting.

Under Standing Orders on Openness, (with reference to Instrument and Articles of Government) Andy Comyn left the meeting as a visitor for the confidential item 9.

9 Remuneration of Senior Post Holders

As per confidential minute.

22 Any other business

There was none.

23 Date of next meeting

The next meeting is scheduled for 24 February 2010.

Closed: 8.45