

THE CORPORATION OF THE COLLEGE OF NORTH EAST LONDON

Policy and Resources Committee

Minutes of the meeting held 6.00pm Monday 23 June in the Committee Room at the Tottenham centre of the College.

Present: Mr K Brown (Chair)
Ms C Sullivan (from item 6)
Mr P Head

Apologies: Mr L Brissett (Absence)
Ms C Sullivan (Lateness)

In Attendance: Mr C McCutcheon (Vice Principal Finance and Resources)
Ms C Wills (Director of Human Resources)
Mr D Mathieson (Secretary to the Corporation)
Mr M Cooke (External Governor)

Apologies:

779 Urgent Business and Announcements

There was no urgent business

780 Declarations of Interest

Mr P Head and Mr K Brown in respect of item 8.

The Committee AGREED to:

i) **Note the declarations of interest**

781 Minutes of the Meeting held 6 May 2008 (PR620)

The Committee AGREED to:

i) **Approve the minutes as true and accurate record.**

782 Matters Arising

There were no matters arising

783 Human Resources Report (PR621)

Ms Wills explained the new reporting format which is designed to provide improved data reporting allowing governors to more easily review trend data and seasonal variations over time. Members welcomed the new format.

Attention was drawn to the progress made in the ongoing restructuring and re-organisation programme. Voluntary redundancies are in progress for three members of staff whose posts were identified as 'at risk', those remaining will be confirmed in post and there will be no compulsory redundancies.

It was noted that, as a result of the college inspection, the IIP Assessors visit had been deferred to 1st July.

The Committee AGREED to:

- i) Note the report**

784 Health and Safety (PR624)

It was agreed that this item be brought forward and taken before item 7.

The report highlighted the implications of the Corporate Manslaughter Act stressing that the observance good health and safety procedures should minimize risk to the college. The College now includes health and safety issues within its risk register which is considered regularly by the SMT in its role as risk management committee before being put to the Policy and Resources Committee. The SMT is taking a strong proactive line in ensuring that risk assessments are undertaken across the College and acted on.

The College Health and Safety Policy, revised to take account of local and legislative changes, and good practice was considered.

The Committee AGREED to:

- i) Note the report**
- ii) Approve the amendments to the Health and Safety Policy and note that this will be reported to the Corporation**

785 Finance and Related Reports (PR623)

Management Accounts

Mr McCutcheon reported that the college is on track to ensure that LSC targets will have been achieved by the year end. He explained that CONEL has received the approval of the LSC to reduce its Adult targets this year. A projected operating surplus of £403k is forecast which may increase dependant on the how the general contingency of £500k is used. In response to questions he explained the action being taken to rectify the power issues in the tower Block and clarified the rationale for not making financial provision in the accounts regarding potential back payments. The advice of the college auditors has been taken regarding this matter. CONEL has a strong cash position of £8million with net current assets of £5.8million. The College has determined that it retains its financial grade 'A' status. The LSC under its 'Framework for Excellence' pilot and based on the accounts for 2006-07 graded the College as 'outstanding'. Regarding 'Capital' issues Mr McCutcheon described the progress being made in the dispute regarding final settlement of the account from Messrs Nielcott in respect of the Ian Macwhinnie building. He responded to questions advising that if a settlement could not be reached the college would, through its solicitors, seek the services of an experienced consultant to advise and support the college.

The Committee AGREED to:

- i) Note the report**

Risk Plan

Mr McCutcheon highlighted key points from the report but advised that some further amendments would be made and a revised document circulated.

The Committee AGREED to:

- ii) Note the report**

Learner Support Fund

A report on the requirements for 2008-09 was received from the Director of Learner Support.

The Committee AGREED to:

- iii) Note the report**

College Budget 2008-09

The College has received its funding allocation from the LSC with confirmed increases in adult, 16-18, and E2E. It is understood that other colleges in the area are likely to receive reduced allocations. CONEL's increase in a time of reduced funding reflects the confidence the LSC has in the college's ability to hit targets and deliver quality provision. Despite this the college will need to continue to be prudent in its management of budgets with increasing costs of energy, support staff pension contributions, and provision for a staff pay award. Savings will be made to the staffing base by deleting some vacancies. A capital budget of £1.156million is proposed the most substantial elements being ICT (£617k), and upgrading the brickwork facilities in Construction. In response to questions Mr McCutcheon explained how profits from college subsidiaries would be accounted for by gift aiding them to CONEL, and clarified the agreement with the auditors on the goodwill write off strategy in respect of the purchase of KIST. The Chair requested that an Executive Summary version of the budget proposals be produced to accompany the full report to the Board on 14 July.

In response to a question on the 3-Year Plan, members were advised that the plan takes no account of the merger proposals. In the event of a merger with Enfield College a new 3-Year Plan would be required.

The Committee AGREED to:

- iv) Recommend that the Corporation approve the College Budget 2008-09, and the 3-Year Financial Plan 2008-11) at its meeting 14 July 2008**

786 External Providers (PR623)

Partnerships and Franchised Provision

The report summarised progress and performance of the provision and proposed arrangements for 2008-09. All franchise provision for next year will be linked to specific qualifications and levels. In order to react to under or over performance by individual providers, contracts will include a clause allowing the college to reduce or increase the value of contract during the course of the year. In response to questions Mr McCutcheon advised that the Train to Gain (T2G) contract would roll forward into next year. It is anticipated that formal agreements for 2008-09 will be reached with partners in the two weeks.

Following an audit of the franchised provision at the Bernie Grant Centre (BGC) a number of issues of concern were identified. Consequently it has been decided that this franchise provision should come under the auspices of CONEL but possibly continue using BGC facilities on a rental

basis. The Chair requested a review of quality issues and future of partnership relationships.

The Committee AGREED to:

- i) Note the Report**
- ii) Approve the New Franchises for 2008-09**

Joint Ventures

The Principal clarified issues in relation to the decision of Waltham Forest Council to withdraw preferred bidder status from CONEL to build or operate a construction training centre. He reported on the associated lease issues regarding the Cathall Road site. He went onto update the meeting on progress at the Tottenham Green Enterprise Centre (TGEC).

The Committee AGREED to:

- iii) Note the Report**

787 Date of next Meeting

7.00pm Wednesday 15 October 2008

788 Urgent Business

There were no items of urgent business.

Signed:.....
(Chair)

Date: 15 October 2008