

The Corporation of the College of Haringey, Enfield and North East London

COMMITTEE	FINANCE, POLICY AND RESOURCES
Time and Date of meeting	7.00pm Wednesday 25 November 2009
MINUTES	Enfield Centre

MEMBERS

Mr M. Cooke (Chairman), Ms E. Mould (Vice Chair), Mr S Wright, Mr K. Brown, Ms C. Sullivan, Mr P. Head. Mrs J. Bax.

(* denotes absence)

In attendance

Mr. W. Pitumpe (Director of Finance), Mr S Jakubowski (Vice Principal Human Resources and Development); Ms J. O’Neil (Vice Principal Curriculum and Learner Support); Mr C. McCutcheon (Vice Principal Finance and Resources); Mr D. Mathieson (Secretary to the Corporation); Mr P. West (Turner and Townsend); Mr J. Abrahams (Davis Langdon); Mr M. McCullom (KSS). In attendance during items 1-5 and item 7g only

F/1/1109 APOLOGIES FOR ABSENCE

1.1 There were no Apologies for absence.

F/2/1109 Urgent Business

2.1 There were no items of urgent business.

2.2 It was AGREED that item 7g Property Strategy Update be taken after item 5 to allow the property consultants to carry out their presentation and then leave.

F/3/0909 DECLARATION OF RELEVANT INTERESTS

3.1 Messrs K. Brown; M. Cooke; P. Head declared interest in item 8 External Providers, as Directors of College Subsidiaries.

F/4/0909
FPR008

MINUTES

Minutes of the Policy and Resources Committee

4.1 The Minutes of the meeting held on 30 September 2009 were **CONFIRMED** and signed by the Chairman as a correct record.

F5/0909

Matters Arising

There no matters arising.

F6/0909

FPR010(g)

PROPERTY STRATEGY UPDATE

6.1 Messrs West, Abrahams, and McCullom presented an interim property review on College estates at Tottenham and Enfield Centres. The reports considered options for remodelling work at each centre focused on college priorities and taking into account affordability issues following the capital finding problems at the LSC. It was noted that while public sector funding is likely to be hit in the near future it was a good time to undertake building developments as there is currently good value to be had from the construction industry.

6.2 Mr Wright queried that the proposal had not been brought to his attention as Chairman of the Property Strategy Sub Group (PSG) ahead of the papers being sent out. The Principal apologised for this oversight and advised that the PSG had yet to meet. The report had also been sent to Mr Harmsworth who had been invited to attend the FPR for this item.

6.3 Mr Cooke stressed the importance of understanding the overall priorities of the college when proposing to spend one tenth of the college property budget on the building proposals. He expressed concern that resources might be drawn away from other priority needs.

6.4 The Principal reminded the meeting of the background to the proposals in the context of the major review of college facilities presented at the last joint conference of the two colleges, and subsequent collapse of LSC funding. Regarding the Enfield Centre proposals he advised that the present Learner Centre was substantially below standard and would not meet the expectations of OFSTED. Ms O'Neill clarified the requirements of OFSTED regarding the importance of having appropriate student areas to support enrichment activities. This was further considered in the context of retention of 16-19 year olds, and commissioning that comes into place next year. The facility will be closed down shortly

and temporary arrangements put in place until construction of the new Learner Centre is completed.

6.5 The committee discussed more detailed aspects of the building works, including the refurbishment of the façade of the Collinwood building, associated risks and how these would be managed. The importance of using funds effectively to ensure long term benefits to learners was stressed.

6.6 It was noted that the PSG is due to meet in January where more detailed issues would be considered.

RESOLUTION

The Committee RESOLVED to:

- i) note the report**
- ii) approve the commitment of:**
 - a. Refurbishment of the West Façade of the Collingwood Building at a cost of £200,000;**
 - b. Commit to the detailed design to tender stage of a new student centre linking Kingfisher House and Colingwood Building at a cost £160,000 for professional fees.**

F7/0909 HUMAN RESOURCE ISSUES

7.1 The Chair of the Human Resources Sub Group reported on the discussions at the group's first meeting held earlier in the evening. She advised that there had been useful debates on key issues including industrial relations, HR policies, and post merger harmonisation.

7.2 Details of the discussions in the form of the minutes of the sub committee meeting are attached as Appendix A.

RESOLVED

The report was NOTED

F8/0909 FINANCE AND RELATED REPORTS

FPR010

- a. Financial Statements 2008-09 - Auditors Management Letter and Response and Regularity Audit Opinion.**

8.1 Mr McCutcheon advised that the CONEL accounts are fully consolidated for the College and its subsidiaries. A surplus of £854k for the year is better than the previously forecasted figure of £379k. Enfield College accounts record a deficit of £573k which includes costs incurred in developing the property strategy. The combined outcome for the merged college is a surplus of £281k.

8.2 The financial statement audit for both colleges was undertaken by MacIntyre Hudson who concluded that there were no audit issues from Enfield College, and only one minor issue at CONEL.

8.3 The Principal explained that, following clarification at the Audit Committee meeting 23 November, a footnote would be included in the accounts stating that, while the Principal and the Chairman of the merged college would be signing off the accounts, they were not responsible for the Enfield Budget at that time. It is recognised however that this does not detract from the legality of requiring the Chief Executive and Corporation Chair to sign the final accounts.

RESOLUTION

The Committee RESOLVED in respect of the Financial Statements 2008-09 - Auditors Management Letter and Response and Regularity Audit Opinion of CONEL and Enfield Colleges respectively, to:

- i) Note that these had been considered by the Audit Committee;**
- ii) To RECOMMEND that the Corporation APPROVE the Audited accounts for Enfield College and CONEL.**
- iii) Receive the Accounts of the Student Union.**

b) Management Accounts

8.4 Mr McCutcheon reported that there were few changes since the last meeting of the committee in September and that the College is on track towards meeting its targets for the year. He reported that the college has secured additional ESF funding that should help to expand provision.

8.5 Regarding the projected shortfall in income through the College subsidiary KIST, Mr McCutcheon explained that this had been discussed at a recent meeting of the company board. He

advised that the company had not properly addressed the income accruals position and that accountancy basis of KIST has been put onto a proper footing. The company recently appointed a new CEO whose performance is being monitored to ensure that expectations are met.

8.6 In response to a question on the VAT issue, Mr McCutcheon advised that the college is still awaiting a response from HMRC.

RESOLUTION

The report was noted

c. Risk Management Report

8.7 Mr McCutcheon summarised the report advising that the Audit Committee had requested that the current reporting approach and policy be formally reviewed and that consideration be given to a more logical sequencing in the format of the table.

8.8 Three changes were noted in the risk register. The level of risk associated with Joint Ventures and Subsidiaries has risen due to increased concern about quality issues. Regarding the risk of breaches of Child Protection procedure, the level of risk has been reduced due to embedding of policies. The risk of 'phishing' has been reduced as there is no evidence of any breach.

RESOLUTION

The report was noted

d. Learner Recruitment Progress Report

8.9 Recruitment of young learners is below target and follows a trend for recruitment at the college at this time of year. Historically the college has recovered from this position, recruited more learners throughout the year and achieved targets. This year the SMG are closely monitoring the position and action is being taken to redress the gap. The position regarding adults shows that targets for the time of year have been met. A number of initiatives to improve recruitment were reported including the limited introduction of Construction training at Enfield.

8.10 During the ensuing discussion the following points came forward;

- Dealing with the issue of potential learners for whom a lack of basic skills is a barrier to entry;
- While the full impact of the recession is yet to be felt, the opportunities for retraining should be maximised;
- It is likely that there will be major cuts in public spending after the election and the college must position itself to maintain its income;
- There is greater competition from other providers including 6th forms and academies;
- Schools are expanding into level 1 vocational provision to retain learners that might have gone to FE colleges;
- Joint planning between the college and the London Borough of Haringey is challenging and mainly concerned with commissioning however the college is committed to developing good relationships with schools.

RESOLUTION

The report was noted

e. Fees Policy 2010-11

8.11 Mr McCutcheon summarised the LSC’s current position in relation to tuition fees, and the historical differences in approach by the two former colleges prior to the merger. Members considered a proposal to increase fees to a standard £2.89 per hour across the whole college which represents a 5% increase on this CONEL rate.

8.12 The percentage rise for the Enfield Centre would be greater than for Tottenham as CONEL has followed the LSC approach and consequently fees have been higher. Concern was expressed regarding Enfield Centre Learners on long courses who would not have anticipated such a large increase in fees during their second or third year and that this might reflect badly on the college in terms of adverse publicity. It was suggested that a middle road might be taken in respect of such learners. Management will look at the implications of this suggestion.

8.13 It was noted that the fee increases generally apply to a relatively low number of learners as due to the local socio economic conditions substantial numbers of learners are eligible for concessionary fees.

RESOLUTION

The Committee AGREED to recommend the Fees Policy 2010-11 to the Board.

f. Staff Pay Award 2009-10

8.14 All unions with the exception of UCU have accepted the national pay award offer of 1.5%. UCU have warned that they will be balloting their members about strike action if their pay claims are not met. The pay rise at 1.5% has been allowed for in this year's budget and it is proposed that this be paid to all management and support staff from 1st August 2009, but pay rises to academic staff would not be paid until a national agreement is made between the AoC and UCU.

RESOLUTION

The Committee AGREED to recommend to the Corporation:

- i) to accept the national AoC pay recommendation and implement it for those staff whose representative unions have accepted the offer.**
- ii) To seek a local agreement with UCU to pay 1.5% 'on account' pending any final settlement.**

F9/11/09
FPR011

External Providers

a) Partnerships and Franchising

9.1 Mr McCutcheon presented a report summarising partnership and franchising activities over the year and plans for the present year. He stressed the importance of these activities as a means of securing additional provision for the college.

b) Joint Enterprises

9.2 The College is in discussion with a prospective new partner Silvertrack for the provision of training in railway track laying and maintenance. This will involve an initial outlay of £30k to lay a 60 foot length of track at the Enfield Centre. Mr McCutcheon reported that the initiative has the potential to bring in £500k through 3 funding streams, NEETs, 16-18 year olds in FE, and Apprenticeships. The apprentices will be employed by the new joint venture company Apprenticeships First Limited.

RESOLUTION

The Committee;

- i) CONFIRMED the franchise contracts for 2009-10.**
- ii) Noted that Chairman's action will sought for approval of the contract with Silvertrack when details have been finalised.**

F10/11/09
FPR012

Health and Safety

10.1 It was confirmed that the Vice-Principal Human Resources and Development has lead responsibility for health and safety. An update on the selection process for the post of Health and Safety Manager was reported.

RESOLUTION

The AGREED to recommend approval of the Health and Safety Policy Statement to the Corporation.

F11/11/09
FPR013

Governance Issues

a) Performance Against Work Plan

11.1

RESOLUTION

The report was noted

b) Corporation Policy Review Process

11.2

RESOLUTION

The report was noted

c) CRB Checks for Governors

11.3 It was noted that there is pressure on colleges through OFSTED and other agencies for CRB checks to be carried out for all college governor appointments. The context for doing so was explained in the context of safeguarding strategies. Members

sought clarification on a number of issues: whether the requirement should be applied to existing governors immediately, or on reappointment; the extent to which activities of existing governors who have not been CRB checked might be curtailed; how positive responses might be managed by the college particularly in relation to that which does not impact on safeguarding issues.

11.4 The matter was referred back to management for further work taking account of issues raised.

RESOLUTION

The report was noted

F12/11/09 Annual Review Document 2008-09
FRP014

12.1

RESOLUTION

The report was noted

F13/11/09 Date of Next Meeting

7.30pm Wednesday 20 January 2010 at the Tottenham Centre

F14/12/09 Urgent Business

There was none.

Signed:.....
(Chair)

Date: 20 January 2010