



The Henley College Corporation

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| | <p>the status and it was confirmed that the College's financial status was still outstanding. The Chair thanked KS and asked for congratulations to be passed to the College's team for this.</p> <p>Tom Godfrey arrived at 18.50.</p> <p>JL then commented on the following saying that: Page 11 Government Funding:- the college needs to emphasis more strongly that it was trying to mitigate the effect of reduction in funding. JL then referred to some amendments required in the document covering the following: Page 11 Student Enrolments:- insert after to maintain "and grow" its current student numbers Page 12 Stakeholder Relationships:- - fifth bullet point – add after local "and regional" authorities; - - eighth bullet point – remove "local" in the local community. Page 18 The Corporation:- last paragraph- remove "strategy, students and curriculum" and replace with "quality standards and planning" and remove "community relations" and replace with "stakeholder engagement".</p> <p>Action: KS to action the above amendments to the Draft Statutory Accounts</p> <p>KS then went through the balance Sheet referring to page 33. Cash reserves are just over £5million but interest rates are extremely low and the concern now was how the money can be invested in order for the College to gain a return. Ultimately, the College has a high value of cash. TG asked the following questions concerning:</p> <ol style="list-style-type: none"> 1. why was the restricted reserve reduced. KS explained that the long term maintenance costs on premises had been charged to restricted reserves 2. about the reduction of the operating expenses from last year referred to on page 31, KS explained that it was a question of timing. In the summer of 2015 there were large premises projects which were largely completed and taken in 15/16. This was not the case in the summer of 2016. 3. about the teaching costs and KS said the college had mandated that there was to be no more capitation spend. <p>It was confirmed that the new Principal, Satwant Deol will have to sign the statutory accounts as she will be in post on the 5 December 2016. JL suggested that a full set of the College's financial papers be sent to her so that she will be fully briefed on the College's accounts in preparation for signing off them off in December. SJ thanked KS and his entire team for a very comprehensive set of accounts.</p> <p>Action: KS to send a full set of finalised accounts to Satwant Deol, the new Principal.</p> <p>Action: The Committee unanimously agreed to recommend the Report and Financial Statements for 2015/2016 to the Corporation for approval with the amendments mentioned.</p> | <p>KS</p> <p>KS</p> |
| 1.7 | <p>Pay Award for current year</p> <p>SC informed the Committee that the Sixth Form Colleges Association recommended an increase of 1% with effect from 1 January 2017 and this has been recommended for teaching staff however the unions have yet to respond. SJ asked KS to provide a cash projection of how much this will be dependent upon the recommendation.</p> <p>Action:</p> | |



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| | KS to provide how much a 1% pay rise will cost the College. | KS |
| 1.8 | <p>Student Union Accounts 2015/16 The Students Union accounts are still showing a large amount of unspent funds. JL asked about whether the college was taking money out for student counselling which had been taken out of their account last year. KS said that he would check in case it is coming out next year.</p> <p>Action: KS to check the student union accounts and confirm if money was being taken out for counselling.</p> <p>Action: The SU Accounts were unanimously recommended for approval by the Corporation.</p> | KS |
| 1.9 | <p>Student Enrolment Analysis and financial implications for current financial year SC updated this verbally as there was no new information and explained that the enrolments were set against targets 2012-2016. The first year enrolments were the highest ever and 160 above 2015 figures. The financial target (measured from October 24th) is 1815 so the College should be comfortably ahead of this when the ILR (individual learner record) is finalised 7 December. The financial implications are actually in the updated finance budgets prepared by Director of Finance although SC said to note that any 19+ students are excluded as they receive SFA rather than EFA funding.</p> <p>JL said that this was very good news considering the competition within the area especially in a demographic dip. SJ said that towards 2019-20 this will then expand but cautioned that new growth also means new costs. SC also advised that mental health issues are also driving costs up.</p> | |
| 1.10 | <p>Interest on Fixed Deposits KS explained that as interest rates have been falling the College was looking at securing more flexibility because of the proposed STEM project and a better interest return on the monies held on fixed deposit. KS advised that the College had given 32 days' notice to the bank on 17 October 2016 and expect the £4.35m to mature on 18 November 2016 and available to re-invest as appropriate. KS went through three options on surplus funds held on fixed deposit:</p> <p>OPTION A Lock up £2.1m on a deposit until February 2018 when it will be required for the STEM project. Keep the current balance of funds of £2.25m (which could drop to £1.6m in the worst month in March) at 32 days' notice earning a total of £28.4k interest income in 2016/17 compared to a budget of £31k.</p> <p>OPTION B Instead of depositing £2.25m at 32 days' notice as in Option A put another £1m on a 12 months' deposit and a variable amount of a minimum of £600k on a 32 days' notice account earning £31k interest in 2016/17 and thereby meet the college's budget. KS did point out that if the College needs to spend a large amount on any unplanned activity, it may not have the funds in liquid form.</p> | |



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| | <p>OPTION C A hybrid option where the second fixed deposit for £1m is not for a full year but on a rolling 3 months. The balance of any spare cash can be put on 32 days' notice. SJ said that this was the safest option to take now and to check again in January 2017 The finance committee unanimously agreed on Option C but suggested that this should be an internal decision after consultation with the new principal on any further use of funds. JL then briefed the committee on the STEM offer which may need to be scaled down by £1m due to the likelihood of a smaller grant.</p> | |
| 1.11 | <p>Update on Financial Regulations KS went through three of the key controls: 1. Sustainability is now built into the quotes. 2. The limit for obtaining 3 quotes for buildings and site maintenance was raised to £5000. 3. A reminder that the Principal and Director of Finance can currently authorise up to £10,000, over this amount the Chair of the Governors has to authorise. SJ asked what was the CMT and SC said that it was the college management team. Page 70 - Under Control Responsibilities - KS referred to point one, line 5 - Claims by governors shall be certified by "Principal" this needs to be taken out and replaced by "Chair of governors." SJ asked that in future that the Corporation Secretary write on the attached front cover of all documents going forward to the Corporation for approval to have the mandate that any questions regarding the contents are to be emailed to Corporation Secretary at least 3 days before the meeting so that a fully response can be given. This will ensure a much smoother meeting. Actions: Corporation Secretary to instruct all Corporation members to raise any questions via email prior to the Corporation meeting. The Committee unanimously agreed to recommend the Financial Regulations for 2015/2016 to the Corporation for approval with the amendments mentioned.</p> | <p>KS Corporation Secretary</p> |
| 1.12 | <p>Annual Report of Use of College Seal The Corporation Secretary presented a report on the authorised use of the College Seal since the last meeting. This report is provided as a safeguard against potential fraud. The Seal was applied on 24 April 2016 to the Surrender of Lease of Land near Deanfield Avenue, Henley-on-Thames, Oxfordshire. Apart from this there was no other usage of the seal for 2015-2016.</p> | |
| 1.13 | <p>Election of Chair and Vice-Chair The committee unanimously elected to keep SJ as the Chair and PLC as the Vice Chair.</p> | |
| 1.14 | <p>Has the committee contributed to the vision, mission and strategy of the college? The Chair asked the Committee if they all believed that they had contributed to the vision and mission of the College. The answer was affirmative.</p> | |
| 1.15 | <p>Confidential Items Confidential items are noted separately.</p> | |

