



## The Henley College Corporation

### **MINUTES of the Meeting of the Finance & Resources Committee held on Monday 12 November at 09.00**

<b>Members present:</b> <b>Charles Wiggin</b> Trevor Watkins Satwant Deol Martin Unsworth	<b>Chair</b> Independent Member/Chair of Corporation Principal/Ex Officio Member Staff Governor	
<b>In attendance:</b> Eva Dixon Ashok Patel Caroline Gilmartin Jacky Gearey	Outgoing Director of Finance Incoming Director of Finance Head of HR Clerk	
<b>Agenda Item</b>	<b>Minutes</b>	<b>Action by</b>
1.1	<b>Opening of meeting</b> The meeting opened at 09.02. The Chair thanked Eva Dixon for coming in and introduced the new Director of Finance and Caroline Gilmartin, the new Head of HR.	
1.2	<b>Apologies for Absence</b> The following apologies were received: 1. Simon Cuthbert	
1.3	<b>Election of Chair &amp; Vice-Chair</b> The committee unanimously supported Charles Wiggin as the Chair and Trevor Watkins as Vice Chair  <b>Resolved: Charles Wiggin duly elected as Chair and Trevor Watkins as Vice Chair of the committee</b>	
1.4	<b>Declaration of Interests</b> The Principal, Staff Governor and Clerk declared an interest in item 1.8 otherwise no other interests were declared.	
1.5	<b>Minutes of Previous Meeting:</b> The minutes of the Meeting of 18 June 2018 were agreed and approved.  <b>Resolved: the Committee agreed that the minutes were an accurate record of the meeting of 18 June 2018 and the minutes were signed by the Chair.</b>	
1.6	<b>Matters Arising from the Minutes (including review of actions)</b> Item 5.7 - satisfaction survey – the Head of HR said that this would go out in 2019-2020, however the Principal said that in the interim there would be focus groups, which were felt to be better and more informative.  Item 5.8 - The Chair asked about the committee self-assessment and the Clerk reported that there had been a very poor response. It was decided that going forward that this be a separate agenda item in June to be discussed then.  <b>Resolved: Clerk to add SAR to June agenda</b>	
1.7	<b>Draft Statutory accounts for previous financial year</b> The Chair went through the Draft Statutory accounts highlighting the following: Page 8 – the College does not have a Reserves' Policy and one is to be put in place for 2018-2019. Page 16 – going concern – this was a reassurance from the auditors that the College is a going concern. The DoF said that the auditors would have tested this looking ahead for the foreseeable twelve months.	



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	<p>Page 33 – income and expenditure is fed through      Page 35 – balance sheet as end of July 2018 – only £1.268m can be used as the restricted reserve is as previously discussed only for estates use.      Page 36 – cash flow – the Chair explained the adjustments      The DoF and the Chair said that the whole financial positioning is weakening and it is the speed that this downward travel that has to be constantly reviewed. The Chair asked if there were any further comments and there were none. The committee then recommended the accounts as presented to the Corporation for approval.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) the Report and Financial Statements for the year end 31 July 2018 had been received by the committee</li> <li>(ii) to recommend the Report and Financial Statements for the year end 31 July 2018 to the Corporation for approval</li> </ul>	
1.8	<p><b>Pay Award for current year</b></p> <p><b>Resolved: that there would be a recommendation to the Corporation not to make a staff pay award for 2018-2019</b></p>	
1.9	<p><b>Student Union Accounts for previous financial year</b>      The income received from Student Union Activity was mainly due to sale of NUS cards.</p> <p>The Student Union have been contributing to the listening service by funding £11,000 due to the continuing rise in the number of students with mental health issues, however, this is the last year that they can support this service. The DoF advised the committee that alternative sources of funding including charities are being investigated.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) Students Union accounts were received by the committee.</li> <li>(ii) to recommend to the Corporation the approval of the Student Union accounts for the year end 31 July 2018</li> </ul>	
1.10	<p><b>Student Enrolment Analysis and financial implications for current financial year</b></p> <p>The DoF presented the Student Enrolment Analysis 18-19 &amp; Implications. The College's contract with the ESFA is for 1,904 learners, which in funding terms is £8,075k. The actual number of students currently on the system is 1,737, which currently means that the College is 167 learners short of contract. The analysis presented is a summary of the enrolment in each curriculum area and associated current funding estimate. This is a position statement as at the end of October and there could be a further reduction of learners as the internal team updates register data and any recent withdrawals. The likelihood is that 1,737 learners is possibly the best case scenario. The financial plan is not deliverable unless there is a strong curriculum plan and this is crucial, the Principal confirmed that this is being reviewed independently now and will be 21<sup>st</sup> century deliverable.. This should be completed by the end of the term</p> <p><b>Resolved: that the Report on the Student Enrolment Analysis and financial implications for current financial year was received by the committee.</b></p>	
1.11	<p><b>Discretionary Learner Support Funds (DLSF) for current financial year</b>      The allocation for DLSF increased by £464 to £110,068 in Financial Year 2017/18 due to an increase in the 16-19 learner numbers as compared to 2016/17.      The YTD allocation as at November 2018 shows an unclaimed amount at the end of the financial period of £25,271 this is likely to be spent during the year. The number of students being supported is currently 168. During the financial period ending July 2018, the unclaimed balance was £14,054. The spend was on 203 learners. The unclaimed balance amount has been accrued in the year</p>	



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	<p>end accounts and it is anticipated that the ESFA will claw this back in the January 2019 monthly remittance.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) the Discretionary Learner Support Funds report was received by the committee.</li> <li>(ii) DoF to review the Discretionary Learner Support Funds regarding maximising use of funds and reducing the amount of clawback</li> </ul>	
1.12	<p><b>Interest on Fixed Deposits</b></p> <p>The DoF briefed the committee on the amount of money that the College had as cash in hand and in the bank. Of this amount just under one third was on a 32 notice account which had been earning until 1 August 2018 an interest of 0.57%. Following the rise in base rate, the interest now earned is 0.75%.</p> <p>The College will explore options of earning more money by increasing the Fixed Rates terms and potentially the amounts held. This is however subject to the decisions made on capital and College redevelopment projects and the timing of the spend.</p> <p><b>Resolved:</b></p> <ul style="list-style-type: none"> <li>(i) the report on the Fixed deposits was received by the committee</li> </ul>	
1.13	<p><b>Update on Financial Regulations</b></p> <p>The updated Financial Regulations included:</p> <ol style="list-style-type: none"> <li>1. reference to the new Procurement Officer</li> </ol> <p>The DoF proposed an amendment to the capitalisation of asset at £500 which was low and should be raised to £1000 immediately in preparation approval at the Corporation meeting 6 December. The committee unanimously agreed this and further approved the Financial Regulations as presented with the proposed amendment above.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) The Report on Financial Regulations for 2018/219 were received by the committee</li> <li>(ii) the Financial Regulations for 2018/219 regarding capitalisation of assets to be raised to £1000 immediately and the regulations amended accordingly</li> <li>(iii) The Financial Regulations for 2018/2019 with the amendment at (ii) be recommended to the Corporation for the approval</li> </ul>	
1.14	<p><b>Annual Report on the use of the College Seal</b></p> <p>The Clerk informed the committee that there has been no usage of the College Seal for 2017-2018.</p> <p><b>Resolved that:</b></p> <ul style="list-style-type: none"> <li>(i) the Annual Report on the use of the College Seal was received by the committee</li> <li>(ii) the Annual Report on the use of the College Seal be recommended to the Corporation for the approval</li> </ul>	
1.15	<p><b>Approval of:</b></p> <p>Subcontracting Fees and Charges Policy</p> <p>The Subcontracting Fees and Charges Policy was reviewed and approved by the audit committee and the only amendment was the addition of a signature block at the end of the document. The Chair asked DoF to go through the list of contractors and DoF confirmed that there was only one subcontractor in use now but ESFA requirement was to show previous contractors. Subcontractor audit was carried out in October with only one comment – requirement for a signature block.</p> <p><b>Resolved that:</b></p>	



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	<p>(i) <b>the Subcontracting Fees and Charges Policy was received by the committee and that it be recommended to the Corporation for approval</b></p>	
1.16	<p><b>ESFA – College Dashboard (for information)</b> The letter from the ESFA confirmed that a copy of the College's latest financial plan for 2017/2018 to 2019/2020 had been received. Based on their review of this information their assessment grade was:</p> <ol style="list-style-type: none"> <li>1. Satisfactory for 2017/2018 (the latest outturn forecast year) and</li> <li>2. Good for 2018/2019 (the current budget year)</li> </ol> <p>The DofF went through the financial dashboard presented was compiled from the information the College and other Colleges had submitted to the ESFA and incorporated various key performance indicators and measured those against both target benchmarks and benchmarks achieved in the sector. The committee said that this was a useful dashboard up to 2017/18 but looking forward the trends are not encouraging.</p> <p><b>Resolved that:</b></p> <p class="list-item-l1">(i) <b>The letter from the ESFA had been received by the committee</b></p> <p class="list-item-l1">(ii) <b>The Financial Dashboard had been received by the committee</b></p>	
1.17	<p><b>Annual HR reports:</b> The Head of HR briefed the committee on the key HR areas that impact the Colleges Finances and Resources for the months of July to October 2018 including: HR systems and processes, turnover, sickness, recruitment, (including agency and temporary workers), training and employee relations. In future reports the costs will be reviewed within the academic year to enable a year on year comparison.</p> <p><b>HR Systems</b> - the College has invested in a Cintra HRIS, the payroll module is going live in December 2018 and the HR module in February 2019 and the self-service module (with staff training) by the end of the academic year. This system will enable HR to have better control over employee data and to develop a number of management reports which will empower Governors and managers to more accurately review and measure HR resources and costs.</p> <p><b>Employee Turnover</b> - All of the involuntary leavers took voluntary redundancy during the restructure. No employees were made compulsorily redundant during this process. Also as most of the leavers left over the summer period there was little need for replacement staff.</p> <p><b>Employee Sickness</b> – HR will be running some absence management training, with support from ACAS, for managers in the New Year and will emphasise the importance of keeping sickness records. The new HRIS will help us to keep accurate absence records.</p> <p><b>Employee Relations</b> – the College does not have any employee tribunal cases to report. The organisational change process earlier this year did not result in any grievances or employee actions for unfair dismissal.</p> <p><b>Recruitment</b> - the recruitment process is being reviewed and training for managers will be arranged in the New Year. HR is also working with Finance to firm up the ERF procedure in order that HR can have more cost control around variable contracts.</p> <p><b>Training</b> – HR is working with managers to understand the amount and cost of essential training this academic year so that HR can control budget expenditure and ensure essential training is delivered.</p> <p>The Chair thanked the Head of HR for the overview.</p> <p><b>Resolved: the HR Report was received by the committee</b></p>	
1.18	<p><b>HR &amp; Employment Law updates:</b> Employment Law and legislation changes in 2018 – the Head of HR said that there was nothing to brief the committee on at the moment.</p>	



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	<p>HR Policies: the following were presented for review and approval.</p> <ul style="list-style-type: none"> <li>(a) Bullying and Harassment Policy &amp; Procedures</li> <li>(b) Capability Policy &amp; Procedures</li> <li>(c) Code of Conduct for Staff</li> <li>(d) Disciplinary Policy &amp; Procedures –</li> <li>(e) Employment Stability and Redundancy Policy &amp; Procedures</li> <li>(f) Grievance Policy &amp; Procedures</li> <li>(g) Sickness Absence Policy &amp; Procedures</li> </ul> <p>Head of HR said that in the main the only changes to these policies were: change in titles, union names, who reports to whom and the removal of Management Guides (where applicable). She confirmed that separate Managers Guides have been created and that these will be provided to Managers as part of the training by ACAS next year. The policies will be sent to the unions for information.</p> <p><b>Resolved: that the following HR policies as presented were approved and be recommend to the Corporation for approval:</b></p> <ul style="list-style-type: none"> <li><b>(a) Bullying and Harassment Policy &amp; Procedures</b></li> <li><b>(b) Capability Policy &amp; Procedures</b></li> <li><b>(c) Code of Conduct for Staff</b></li> <li><b>(d) Disciplinary Policy &amp; Procedures</b></li> <li><b>(e) Employment Stability and Redundancy Policy &amp; Procedures</b></li> <li><b>(f) Grievance Policy &amp; Procedures</b></li> <li><b>(g) Sickness Absence Policy &amp; Procedures</b></li> </ul>	
1.19	<p><b>Any Other Business</b></p> <p>There was no other business.</p> <p>Meeting moved to the confidential agenda at 11.10</p> <p><b>Confidential Agenda items – 1.19 – 1.22</b></p>	
1.23	<p><b>Items to be taken forward to next Corporation Meeting for approval:</b></p> <ol style="list-style-type: none"> <li>1. Draft Statutory accounts for previous financial year</li> <li>2. Student Union Accounts for previous financial year</li> <li>3. Update on Financial Regulations</li> <li>4. Annual Report on the use of the College Seal</li> <li>5. Subcontracting Fees and Charges Policy</li> <li>6. HR policies (a-g)</li> </ol>	
1.24	<p><b>Date and Time of Next Meeting</b></p> <p>The next scheduled meeting is Monday 17 January 2019 at 09.00</p> <p><b>Meeting Closure</b></p> <p>The meeting closed at 11.25</p>	
	<p>MINUTES of the meeting held on <b>Monday 12 November 2018</b> were agreed and accepted as a true and accurate record and signed by the Chair.</p> <p>..... on .....</p>	