

FAREHAM COLLEGE

FINANCE AND RESOURCES COMMITTEE

24th November 2014

MINUTES

Present: Mr N Duncan
Mr P Fielon
Mr P Grimwood
Ms Kamla Janagal
Mr R Kew (Chair)
Mr M Mansergh
Ms K Woods

In attendance: Mrs J Eayrs (Clerk)
Mr P Marsh (Deputy Principal)
Mrs J Robinson (Head of Finance)

31/14 Annual Election of Chair

Members of the Committee elected Mr Kew as Chair of the Committee to serve until the first meeting after the 1st April 2015 in accordance with the Corporation's Standing Orders.

32/14 Declaration of Interests

Members of the Committee were reminded of the need to declare any personal or financial interest in any item of business to be discussed during the meeting. There were no interests declared.

33/14 Apologies for absence

Apologies for absence were received and accepted from Mrs Hinton.

34/14 Minutes of the meeting held on the 18th June 2014

The minutes of the meeting held on the 18th June 2014 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them which were not covered elsewhere on the agenda.

35/14 Confidential Minutes of the meeting held on the 18th June 2014

The confidential minutes of the meeting held on the 18th June 2014 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them which were not covered elsewhere on the agenda.

36/14 Correspondence

There was no correspondence.

37/14 Risk Management

Members of the Committee received a paper on Risk Management which outlined the Finance and Recruitment risks and Health and Safety Risks which were the responsibility of the Committee to monitor and review. The Deputy Principal spoke to the paper and advised the Committee that a Senior Management Team (SMT) Workshop was due to take place the next day (25th November 2014) and, as a result, the Risk Register would be fully updated and any changes incorporated into the Annual Report due to be presented to the full Corporation at its meeting on the 10th December 2014.

Members of the Committee reviewed the contents of the paper and noted that the Risk Register would be updated in the light of the SMT Workshop scheduled to take place on the 25th November 2014.

38/14 The Draft 2012/2013 Financial Statements

Members of the Finance and Resources Committee received a Draft set of 2013/2014 Financial Statements. The Deputy Principal spoke to the paper and advised the Committee that, traditionally, members would be provided with a paper which outlined the movement and/or any changes which had occurred since the draft position had been reported to the full Board at its October meeting. On this occasion, members were advised that the Draft Statutory Accounts presented provided the post audit financial position and there had been no material changes. He went on to say that the closure of accounts process had been as smooth this year as last year and he commended the Head of Finance and her team for this achievement.

He went on to say that it was not expected that there would be any amendments before final Corporation sign-off in December apart from presentational suggestions made by F&R and Audit Committee members during their considerations.

The Deputy Principal referred members to page 27 of the Accounts and drew the following to members' attention:

- **Surplus** on continuing operations before exceptional items – £472k (which meant the College had completed a seventh consecutive year of financial surplus);
- **Surplus** on continuing operations and exceptional items - £4,965,000 (members were reminded that this related to the Bloor land sale receipt);
- **Staff costs** had been reduced by £800k during the year.

Members sought clarification on a number of points as follows:

- **Debtors (note 12 page 29)** – the Deputy Principal explained that this figure related to the site sale and he clarified the position for members;
- **Pension liability** – the Deputy Principal clarified the pension position and outlined the differences between the two schemes.

Members of the Committee extended thanks and congratulations to the Deputy Principal and his team and agreed that, given the amount of change which had taken place and the current financial climate within the sector, such a clean outcome was a fantastic result.

Having considered the draft financial statements presented, members of the Finance and Resources Committee agreed to recommend the Financial Statements for 2013/2014 for formal approval by the full Corporation at its meeting on 10th December 2014.

39/14 The Audit Findings Report and Letter of Representation – Grant Thornton

Members of the Committee received The Audit Findings Report and Letter of Representation from Grant Thornton, the External Audit Service provider. Members considered the report in the light of the previous agenda item under which they had reviewed in detail the draft Statutory Accounts 2013/2014. The Committee reviewed the report and acknowledged that there were no issues of concern.

Members reviewed the contents of the report and agreed to recommend it for formal approval by the full Corporation at its meeting on the 10th December 2014.

40/14 Self-Assessment of Compliance with Regularity and Propriety Requirements

Members of the Committee received the Self-Assessment of Compliance with Regularity and Propriety Requirements. The Head of Finance spoke to the paper and referred members to page 5 of the report, in particular the issue related to Capital Project Appraisal. She continued by saying that the Financial Regulations had been updated to include the role of the Property Strategy Group.

Members reviewed the contents of the paper, noted the one amendment as reported by the Head of Finance, and agreed to recommend the Self-Assessment of Compliance with Regularity and Propriety Requirements to the full Corporation for formal approval at its meeting on the 10th December 2014.

41/14 Review of 2014/2015 Financial Performance including the Management Accounts at 31st October 2014

Members of the Committee received a confidential paper on the Review of 2014/2015 Financial Performance including the Management Accounts at 31st October 2014. Due to the confidential nature of the contents of the paper and the related discussions, this item is recorded as a separate confidential minute for Governors only.

42/14 HR Strategy Update - November 2014

Members of the Committee received the Human Resource Strategy 2014-2017 which had been completely reviewed and updated in line with other College Strategies and, as a result, the links between the College Strategy and the HR Strategy were much more clearly defined and succinct.

Members of the Committee reviewed the document and provided feedback regarding the order of the Strategic Aims (5 first followed by 6 then 7). Members agreed to recommend it for formal approval by the full Corporation.

Members reviewed and endorsed the updated HR Strategy 2014-2017 and agreed to recommend it for formal approval by the full Corporation at its meeting on the 10th December 2014 with the inclusion of the amendment outlined above.

43/14 Annual Health and Safety Report to the Corporation 2013/2014 and Review of the College's Health and Safety Policy

Members of the Committee received a paper on the Annual Health and Safety Report 2013/2014 (including Accident Statistics at Appendix 1 to the paper) and the College's Health and Safety Policy which had been reviewed and updated in September 2014. Members

reviewed the health and safety overview provided for 2013/2014 and noted the developments and improvements which had been secured during the year.

Members of the Committee reviewed and noted the contents of the Annual Health and Safety Report 2013/2014 and the updated College Health and Safety Policy and agreed to recommend them both for formal approval by the full Corporation at its meeting on 10th December 2014.

44/14 Annual Review of the Financial Regulations

Members of the Board received an updated and complete set of Financial Regulations. An updated version of Annex E (Financial Limits) was also provided at the meeting. Members of the Committee reviewed the document and requested that:

- The introduction of financial limits in connection with leases be included;
- A Bribery Policy be included in the document.

Members of the Committee agreed to recommend the Financial Regulations for formal approval by the full Corporation at its meeting on the 10th December 2014 with the inclusion of the amendments outlined above.

45/14 2013/2014 Performance Review of the Deputy Principal

Members of the Committee received a strictly confidential paper on the 2013/2014 Performance Review of the Deputy Principal. Due to the strictly confidential nature of the contents of the paper and the related discussions, this item is recorded as a separate strictly confidential minute for Governors who are not staff and student only.

46/14 Date of next meeting

It was noted that, in accordance with the Corporation Calendar approved in July 2014, the next meeting of the Finance and Resources Committee was scheduled for **Wednesday 11th March 2014 at 5.30 pm.**

Post minute note: The date of the next meeting was subsequently changed to Monday 9th March 2014 at 5.30pm.