FAREHAM COLLEGE

# **FINANCE AND RESOURCES COMMITTEE**

13th March 2017

# **M I N U T E S**

 Present: Mr N Duncan

 Mr P Grimwood

 Mrs K Janagal

 Mr R Kew (Chair)

 Mr M Mansergh

 Ms K Woods

 In attendance: Mrs E Baxter

Mrs J Eayrs (Clerk)

**01/17 Declarations of Interest**

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

**02/17 Apologies for Absence & welcome to new members**

 Apologies for absence were received and accepted from Mr Hoban and Mrs Hinton.

**03/17 Minutes of the Meeting held on the 16th November 2016**

 The minutes of the meeting held on the 16th November 2016 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.

**04/17 Strictly Confidential minutes of the meeting held on the 16th November 2016**

 The strictly confidential minutes of the meeting held on the 16th November 2016 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them.

**06/17 Correspondence**

**(i) SFA Letter dated 10th March 2017** – The Principal advised members of the Committee of a letter which had been received after the dispatch of papers from the SFA in connection with the Fareham College Financial Statements 2015/2016 and the Financial Health assessment. Members noted that, following a review of the College’s audited financial statements and finance record, the SFA had concluded that the appropriate assessment grade for 2015/2016 was ‘Good’. It was agreed that the Clerk would circulate the letter via email to members.

**07/17 Termly Risk Management Report**

 Members of the Committee received a paper on Risk Management which outlined the risks which were the responsibility of the Committee to monitor and review and which provided an update of the College’s current risk exposure and the mitigation which had been put in place to reduce them.

The Principal spoke to the paper and drew the following to members’ attention:

* **Risk 3: Lack of Pay award could have staffing implications – recruitment of lower quality staff** – The Principal confirmed that, based on affordability, no pay award would be made during the 2016/2017 year. Members noted that alternative ways to reward the staff continued to be explored;
* **Risk 8: Solent Leadership Academy project underperforms leading to loss of income and reputation** – Members noted that recruitment stood at 57 against an LEP target of 200 by the end of December 2016. In addition, spend against profile was behind schedule and, as a result, the LEP had withheld the final payment of Employer Ownership of Skills grant funding;
* **Risk 9 & 10: Serious IT Infrastructure failure** – Members were aware that these risks had reduced and were being managed through the recently appointed Head of Technical Services;
* **Risk 20: Inability to provide accommodation to meet student uptake at CEMAST** - Members were advised that CEMAST was showing some signs of accommodation issues. The Principal outlined a number of options which were currently being explored which included the reconfiguration of existing facilities to include an Aero Workshop and Concourse drop-in IT suite and the purchase of land to the north of CEMAST with a view to making use of existing buildings initially and to develop plans for a new build for HE in the future;
* **Risk 21: Turnover of senior management leading to loss of strategic vision** – The Principal outlined the changes to the structural responsibilities which had been implemented since the loss of the Director Teaching, Learning and Assessment;
* **An over-reliance on subcontracting activity of 16-18 part-time numbers, apprenticeships and ASB funding with inherent risks e.g. quality, reputation, funding, management and organisational dependency** – The Principal outlined the position regarding the review of arrangements which had been initiated for the College’s largest subcontractor Steve Willis.

 **Members of the Committee reviewed and noted the contents of the paper and the mitigation in place to reduce the risks identified.**

**08/17 Management Accounts at 31st January 2017**

 Members of the Committee received a confidential paper on the Management Accounts at 31st January 2017. 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.

**09/17 2017-2018 Budgetary Considerations**

Members of the Committee received a confidential paper on the 2017-2018 Budgetary Considerations. 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.

**10/17 2017/2018 Fees Policy and Guidance**

 Members of the Committee received the 2017/2018 Fees Policy and Guidance for consideration and review. The purpose of the policy was to provide a framework within which the College’s fee setting, fee refund and overdue fee processes were devised and operated. The Policy also set a framework for ensuring that comprehensive guidance and information regarding fees was available and accessible to prospective and existing learners, staff and Governors.

 Mrs Baxter spoke to the paper and outlined the main changes which related to:

* International fees;
* Higher Education fees;
* Advanced learner loans and the introduction of a refundable 10% fee deposit once receipt of the first loan payment had been made to the College. In addition, Mrs Baxter highlighted the fact that students would retain ultimate responsibility for the payment of their fees
* Tuition fee remission;
* One-off student contribution towards trips etc.;
* Payment of fees – all fees to be paid for in full at enrolment unless an instalment plan through Flex-Ed had been agreed.

**Members of the Committee agreed to recommend the 2017-2019 Fees Policy and Guidance for formal approval by the full Corporation at its meeting on the 5th April 2017.**

**11/17 LGPS Statement of Policy – Discretionary Functions**

 Members of the Committee received a paper on the Local Government Pension Scheme Regulations 2013. In accordance with Regulation 60 a Scheme employer must prepare a written statement of its policy in relation to the exercise of its functions under the following regulations related to:

* Funding of additional pension;
* Flexible retirement;
* Waiving of actuarial reduction;
* Award of additional pension.

The Principal spoke to the paper and advised members that the College had not changed its position on discretionary functions but was seeking Committee endorsement.

In addition, the Principal outlined a situation which had arisen in connection with a change to a staff member’s pension going back 12-13 years. He advised the Committee that external legal advice was being sought regarding this matter.

**Members reviewed and endorsed the Local Government Pension Scheme Statement of Policy – Discretionary Functions.**

**12/17 Termly Health and Safety Report – Spring Term 2017**

Members of the Committee received the Termly Report of the Health and Safety Operational Group.

Members reviewed the contents of the paper and noted that the Health and Safety Operational Group had last met on the 15th February 2017. Members noted the key issues which had been discussed at the meeting as follows:

* A recent staff change in Estates Services had led to a review of the departmental structure. As a result of the review a new post of Deputy Estates Services Manager was currently being recruited. The Principal advised members that six well qualified candidates had been selected for interview and the successful individual appointed that day. In addition, members were advised that the new post included the role of Health and Safety Officer;
* Members noted that, following first aid training in January 2017 and February 2017 for technicians and the Estates Services Team, the College now had an appropriate level of provision for first aid out of hours. In addition, members noted that defibrillation training was required at CEMAST and was due to take place after the half-term break;
* Members noted that there had been one HSE reportable injury since September 2016 which had involved an Electrical Engineering student who had received a cut close to his eye as a result of a piece of plastic pipe not being secured in the vice properly. The Principal confirmed that, following a full investigation, the requirement for eye protection to be worn during practical activities had been implemented;
* A successful fire drill had been held at CEMAST on the 3rd November 2016 and at BRC on the 17th October 2016. Members noted that the next fire drills were scheduled to take place in March 2017 and these would involve an off-site evacuation;
* Members reviewed the areas which had received a property inspection and noted that, in general, there had been no major issues. Members noted that two ‘red’ issues which had been identified in the staff canteen kitchen in D building had been rectified immediately;
* Members noted that a trial Lockdown exercise had been completed on the 12th December 2016. The Principal confirmed that excellent feedback and comments had been received and would be incorporated into the BCP which would be presented to the SMT for approval at the end of April 2017;
* Members noted the arrangements for the use of alternative entrances and exits during the period that the scaffolding was being dismantled.

**Members of the Committee reviewed and noted the contents of the report.**

**13/17 2016/2017 IT Strategy Update: Position Statement March 2017**

 Members of the Committee received a confidential paper on the 2016/2017 IT Strategy Update: Position Statement March 2017. Members of the Committee noted that the team restructure had now been completed and good progress was being made. The Principal confirmed that the paper provided the latest position regarding the set of considerations that would need to be factored into the 2017/2018 Information Technology Strategy due to be presented to the full Corporation for formal approval at its meeting on the 28th June 2017.

 **Members of the Committee reviewed and noted the contents of the paper.**

**14/17 Performance Review of the Deputy Principal 2015/2016**

*Mrs Baxter, Director of Finance & Funding withdrew from the meeting for this item.*

Members of the Committee received a strictly confidential report on the Performance Review of the Deputy Principal 2015/2016. 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.

**15/17 Date of next meeting**

 Members noted that the next meeting of the Finance & Resources Committee was scheduled to take place on **Wednesday 7th June 2017 at 5.30 pm.**