

CHELMSFORD COLLEGE
PERSONNEL, FINANCE & GENERAL PURPOSES COMMITTEE
24TH NOVEMBER 2015

Present: Elaine Oddie
Michael Lager (Chair)
Andy Sparks (Principal)
Graham Evans
Janice Maclean

In Attendance: Debs Hurst (Director of Finance)
Caroline Williams (Director of Quality & Learning)
Mark Emerson (Head of Information, Systems & Planning)
Mike Tadman (Director of Human Resources)
John Fowl (Clerk to the Corporation)
Joanne Saward (Minuting Secretary)

529. Apologies for Absence

There were no apologies

530. To Receive Declarations of Interest and to Notify Confidential Items

There were no declarations of interest.

It was agreed that due to the commercial sensitivity of the items the minutes regarding Beacon House and the re-financing of loans should remain strictly confidential.

531. To Approve the Minutes of the Meeting Held on 21st June 2015

The minutes were approved.

532. Matters Arising

- i) Dovedale Nursery is facing strong competition from a new nursery that has opened locally. This and the requirement to offer more free places has resulted in a reduced income.
- ii) Debs Hurst was asked to present a Treasury Policy to the next meeting of the Committee.

533. To Receive the Human Resources Report

Staff turnover during the year rose significantly but has since reduced to nearer the sector average but remains a risk for the current year.

It was noted that the effect of Performance Management would also impact on the level of staff turnover. Comparison with other institutions indicates that this level of turnover is occurring elsewhere.

The recent Ofsted inspection indicated that the staff in post is capable of achieving the targets set for the College by way of performance.

Governors queried why the appraisal system was picking up some of the issues identified by the Teaching & Learning observations and Mike Tadman sought to provide some insight to this.

The Committee asked how Governors might better be able to keep abreast of the issues identified and it was suggested that an additional Governors Development Day should be arranged for the early part of 2016.

Members welcomed the format and content of the Risk Register produced for the HR issues as it was felt it made it easier for them to understand the risks that are impacting from HR matters.

Governors wished to record their appreciation of the efforts made by the staff and management teams during the recent inspection.

It was **Resolved** that the HR report be received

534. To Receive the Consolidated Members Report and Financial Statements to 31st July 2015

Members attention was drawn to the detail in the Group accounts which are showing a deficit for the year, inclusive of the FSR17 pension deficit. The reconciliation with the Management Accounts was noted

Members reviewed the Financial Statements and considered them on the basis of the statement that the College is a "Going Concern" and were satisfied that this statement in the Financial Accounts was sound.

The accounts have been shared with the SFA who have confirmed that on the basis of the draft accounts seen here the college financial health had improved to now being graded as 'Satisfactory'.

A number of queries were raised by Members and Debs Hurst responded to them to the satisfaction of the Committee. It was stressed however, that at a future date there will be the need to 'unpick' the costs currently being allocated against Chelmsford Training Services (CTS) so that they are more appropriately allocated within the Group.

The Financial Statements Auditor has issued an unqualified opinion.

Financial Statements for both CTS and Dovedale Nursery were received & noted. A number of small amendments were suggested and Debs Hurst undertook to have these changes made to the final document.

Members were told that the College is checking with KPMG as to whether CTS Essex, now defunct, requires accounts to be produced.

It was **Recommended** that the Governors approve the Consolidated Financial Statements of the College at the Board meeting on 11th December 2015.

535. To Receive the Group Management Accounts to 31st October 2015

The Committee received the Management accounts for October 2015 and were informed that the deficit shown was less than budgeted for originally and this was considered to be at least in part due to the phasing of SFA payments to the College.

Members noted the main variances in Income & Expenditure.

Additional income was expected to be generated from apprenticeships which will have a positive impact on the year end outturn.

An overdraft facility is still in place with Lloyds bank and the College may have to make use of this during February/March depending on the timing of SFA payments.

The Financial KPIs were noted along with the Cash Flow statement.

It was **Resolved** that the Management Accounts be received.

536. To Receive the Annual Health & Safety Report 2014-15.

A detailed H&S report produced as part of the Shared service with South Essex College was received and noted.

It was confirmed that a range of staff training had taken place and that the various safety inspections had been carried out satisfactorily.

Reported accidents rates had decreased and this will be investigated to ensure it did not reflect a failure to report minor injuries such as cut fingers etc:

Additional 1st Aid cover is to be provided at the Princes Road Campus.

A number of proposed actions were set out in the report and these were supported by the Governors who requested an update on these at the next meeting of the Committee.

It was **Resolved** that the Health & Safety Annual Report 2014-15 be received.

537. To Receive a Report on Subcontracting.

Mark Emerson explained that there were 2 types of sub-contract (provision & Service). The College had one of each, these being with;

- (i) Aspire Achieve Advance Ltd
- (ii) Aspire GR Ltd.

Despite the similarity in name there was no connection between the 2 companies.

The contract with Aspire, Achieve, Advance Ltd was due to end shortly.

Work with Aspire GR Ltd is conducted in conjunction with Job Centre Plus.

It was **Resolved** that the Report be received and the sub-contracts be approved.

538. Pay Award for Staff 2016.

Mike Tadman presented the Committee to show the pay awards made over the past 10 years which identified that no award had been made in the past 3 years.

In setting the Budget for 2015-16 the Board had agreed a provision for a 1% pay award subject to affordability.

The proposed pay award will not apply to senior managers. For these staff it was proposed that where the individual did not already receive Health Cover it should be offered. (This will equate to less than 1%).

It was **Resolved** that the Committee supports the management team in;

(4)

- (i) Awarding a 1% pay increase to staff effective from 1st January 2016, with the exception of SMT managers.
- (ii) That SMT managers who do not already benefit from College funded health insurance, (single person cover), are provided with this benefit, or exceptionally an equivalent allowance.

Members were told that the Board had previously approved the College being a 'Living Wage' employer. The 'Living Wage' rate has recently increased and hence the Board is now asked to re-affirm their commitment to this.

It was **Recommended** that the Board approves the implementation of the increase in the Living Wage from £7.85 to £8.25 per hour with effect from 1st May 2016.

539. Any Other Business

- (i) It was proposed that at the next meeting the Committee should receive a presentation/report from the Estate department of the College.
- (ii) Essex Shared Services Accounts will be presented to the Board at the meeting on 11th December 2015.

540. Date of Next Meeting

The next meeting will take place on 8th March 2016

Chair

Date