

## Policy & Resources Committee

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### Approved Minutes

*Minutes of the Meeting held on Monday 28 January 2008 at 7.00 pm.*

Present: Dr R Gray (Vice-Chairman)  
Mr M Baker  
Mr J Bruce  
Mrs J Hodges

In Attendance: Mr A McGarel (Director of Finance) (Item 7)  
Mr N Davis (Director of Quality & Planning) (Item 6)  
Mr R I Millea (Clerk to the Corporation)

#### 1. Apologies for Absence

Apologies for absence were received from Mr P Pickford (Chairman), Mr S Buggle, Ms C Piper and Mr M Smith.

The Clerk confirmed that the meeting was quorate – four members being the minimum number for that purpose. The Committee agreed to waive the effect of College Standing Order 4.2 regarding the late starting of the meeting due to a quorum not being present within thirty minutes of the advertised starting time. The Committee was conscious, in making this decision, that there were no matters on the agenda which require a decision to be taken, merely matters to discuss, receive or note.

In the absence of the Chairman, the Vice-Chairman took the chair.

#### 2. Urgent Business

- i. The Committee received a letter from Ofsted confirming the findings of the College's Annual Monitoring Visit, which took place on 30 November 2007. The Committee noted the favourable outcome of this visit and that reasonable progress is being made in all the key areas identified by Ofsted.
- ii. The Principal and Chief Executive reported that the National Audit Office visit to examine the conduct of the building project was concluded without concerns and a formal written report is awaited.
- iii. The Clerk presented a paper on the revised Instrument and Articles of Government, which were published by the Department for Children, Schools and Families on 21 December 2007 and came into force on 1 January 2008. The Clerk also presented suggested amendments to the College Scheme of Delegation and Standing Orders for consideration by the Committee. The Committee **RESOLVED** to recommend to the Corporation that the new Instrument and Articles of Government be noted and that the changes proposed to the Scheme of Delegation and Standing Orders by the Clerk be adopted. This recommendation will be taken to the Corporation meeting on 17 March 2008.

### **3. Minutes of the Meeting of Monday 29 October 2007**

The Minutes of the Meeting held on 29 October 2007 were **APPROVED** and **SIGNED** by the Chairman.

### **4. Matters Arising from the Minutes**

The Clerk reported that the 2006-07 Annual Financial Statements of the College and its wholly owned subsidiary company had been approved by the Corporation at their meeting on 3 December 2007.

### **5. Strategic Development in South Essex**

The Principal and Chief Executive reported that Thurrock Council have identified a potential site for the new Thurrock campus, opposite the Council offices, on land which is owned by them.

An update was provided by the Principal and Chief Executive regarding wider strategic developments in South Essex and this was deemed to be a confidential matter. A separate minute has been prepared in connection with this issue, which is attached to these minutes.

### **6. Learner Retention (Paper PRC.08.01).**

The Committee was provided with a summary of the position in respect of learner retention (FE) at 1 November 2007 by the Director of Quality & Planning, noting that a full version of this report is available on the Corporation website. This is the first report for the year and therefore it would be expected to be good at this stage. Having said that, the trends are quite encouraging for this year considering the increased enrolments this year.

The issues affecting retention appear to be similar as they have been in the past, especially in respect of students who leave to enter employment. Some flexing of the curriculum might be necessary to allow more part time training opportunities. The report focuses on total enrolments and not head count. The College has improved its retention rates to the national average.

Further progress has been made with information and guidance to students and with induction procedures which both help with retention.

The Committee **RECEIVED** the summary report on Learner Retention (FE).

### **7. College Finances (Paper PRC.08.02)**

The Director of Finance presented a report on the Variation to the Financial Contract with the LSC for 2007/08, a report on the College's Finances for the months of October, November and December 2007, the Investments Report for the five months to 31 December 2007 and gave a verbal update on the College procurement review and related initiatives.

**(a) Variation to LSC Financial Contract for 2007/08**

The Director of Finance reported that negotiations had been held recently with the LSC Essex regarding the College having recruited students in excess of agreed growth targets and there therefore being 'unfunded' students. The LSC have agreed to fund this 'excess' growth in year and accordingly revised targets have been agreed and the total funding allocation has been increased, by approximately £750,000 for 2007/08.

This is a direct result of the College's success in the Thurrock and Basildon LSC Competitions and funding is being made from this allocation.

Members agreed that this was an excellent outcome for the College and congratulated management on their success in recruitment and in these negotiations with the LSC.

The outcome was **NOTED**.

**(b) College Finances for the months of October, November and December 2007**

For the year to 31 December 2007, College income totalled £13,982,000 and expenditure £13,469,000, giving rise to a surplus to date of £513,000 against a budgeted surplus of £375,000. These figures do not yet include the additional funding arising from the variation to the LSC contract referred to in (a) above.

In his presentation, the Director of Finance made the following key points

- An expected forecast for the year to 31 July 2008 would be provided in the accounts report to 31 January 2008
- Outturn to date is well ahead of budget (35%)
- 8.5% under budget on premises costs
- the Lennartz VAT position is being reviewed in the light of HMRC announcements late last year (early repayment)
- strong cashflow (over £5million consistently)
- bids are being made for project work
- annex D provides an analysis of SEECs Limited commercial activities (previously requested by the Committee)
- SEECs Limited shows £8K loss to 31 December as against a budgeted loss of £39K
- KPIs reviewed – still financial category A but under new FfE categories, College will become Good because the capital project and borrowings prevent the College being classed as Outstanding under the new categories
- The Gershon targets for FE efficiency

**(c) Investments Report**

The Committee **NOTED** the Investments Report for the five months ended 31 December 2007 which showed that interest of £146,000 was earned during this period on an average cash balance of approximately £6.1 million.

#### **(d) College Procurement Review and Initiatives**

The Director of Finance verbally updated the Committee on this issue, which was **NOTED**. The College is moving to adopting the Government purchasing card system.

#### **8. Estates Matters (PRC.08.03)**

The Committee **RECEIVED** and **NOTED** a report from the Director of Resources on current estates issues.

#### **9. Management Matters (PRC.08.04)**

##### **(a) Retirement of Director and arrangements for replacement**

The Principal and Chief Executive informed the Committee that the Director of Quality & Planning (Nigel Davis) has indicated his wish to retire at the end of this academic year (end of August). It is proposed that Paul Groome take over the responsibility for Planning and recruitment will be undertaken for a new post of Director of Quality Improvement. Advertisement will be made at the end of this week. The Head of Quality Improvement is going on maternity leave soon, so her position will need to be filled during that time as well.

##### **(b) Thurrock Project Director**

The Committee **NOTED** the role specification for the Thurrock Project Director presented by the Principal and Chief Executive and that it was intended to advertise this position immediately. This is a large capital project (£80 million) and a recruitment agency is being consulted as regards suitable candidates. The basic salary will be fully funded for year one from Thurrock Council, Thurrock Development Corporation and from the LSC with £30,000 from each of them. Thurrock Council and Thurrock Development Corporation will participate in the recruitment process. The project is expected to last four years. It is not intended this individual will become a senior post-holder.

##### **(c) Management Review**

The Principal and Chief Executive gave a brief overview of the College's management structure and plans for future development of the middle management tier in the organisation. The current thinking is to look towards a Faculty model (merging Schools together where relevant) and to improve quality and increase consistency across the College. Redundancies are not intended and a restructured model would be hoped to be in place by 1 August 2008.

The Committee **NOTED** the comments of the Principal and Chief Executive in this regard.

##### **(d) Grievance Procedure for Senior Postholders**

The Committee discussed the draft document on the above subject and agreed to recommend it be adopted by the Corporation at their next meeting on 17 March 2008.

**(e) Directorate Development Day**

The Committee **NOTED** the report of the Directorate Development Day held on 27 November 2007.

**10. Forthcoming Events**

The Committee **NOTED** the events listed in the paper.

**11. Date of Next Meeting**

It was agreed that the meeting scheduled for Monday 25 February 2008 be cancelled and the business of that meeting be transferred to the Corporation meeting on Monday 17 March, owing to the Principal and Chief Executive being required to attend a Government meeting in Birmingham that day. The Clerk was requested to notify the other members of the Committee to this effect.

There being no further business, the meeting terminated at 8.15pm.