



**HUDDERSFIELD NEW COLLEGE
FURTHER EDUCATION CORPORATION**

**MINUTES OF THE FINANCE & GENERAL PURPOSES
COMMITTEE HELD AT HUDDERSFIELD NEW COLLEGE
ON MONDAY 30th November 2009 at 12.30pm**

DRAFT MINUTES

Present : Mr P Smelt (Chair) Mr T Auckland, Mr B Atkinson,
Ms A Williams

In attendance : Mr A Shaw, Mrs H Smithson, Ms Z Shackleton

Clerk Mrs C Coupland

1. APOLOGIES FOR ABSENCE

No apologies were received.

2. MINUTES OF THE MEETING HELD ON 5th October 2009

Resolved:

- **That these be accepted as a correct record.**

3. MATTERS ARISING:

- *Update on catering contact:* Mr Shaw and Mr Smelt have been involved in the process of draft contracts received from Innovate. Amendments have been proposed by Mr Smelt, Mr Shaw and Mr Wilkinson (HNC catering advisor) and have been forwarded onto Innovate. It is intended for the final contract to be signed by Christmas 2009. Mr Shaw advised the Committee that he intended to resolve this matter in time for the scheduled meeting with Innovate following on from their appointment. Mr Shaw informed the Committee that sales have increased by 1/3rd. Students numbers have only increased by 11%. Members were advised that a price comparison study is also underway.
- *Review of the last General Conditions Survey (2002):* At the last meeting it was understood that the last general survey was completed prior to the recent building work. Planned maintenance issues were also not included at that time. Mr Shaw informed the Committee that he is currently undertaking a plan of cost maintenance of different elements of the college, including estimated dates of refurbishment etc. Mr Shaw is to report his findings at the next Committee meeting. Mr Shaw also confirmed that he is speaking with Architects and Health and Safety Supervisors as to the roll out of a Type 2 survey for asbestos.
- *VAT Issue:* College Auditors have suggested that the College continue to take a cautious approach and to ensure there are provisions for the contested VAT payment be carried forward.

- *Schools for the future*: It was resolved at the last meeting in October 2009 that the Clerk was to take minutes at the meetings with AA Project Ltd. However AA Projects Ltd continued to present minutes from such meetings. It was therefore deemed by the sub-committee group as unnecessary for the Clerk to convert meeting notes into a further set of minutes. The Clerk's notes are therefore being used to check the accuracy of minutes presented by AA Projects Ltd.

4. ESTATES:

4.1 Confidential Item : Schools for Future

4.2 Catering contract

This item was reviewed under 'matters arising'.

5. FINANCE:

5.1 Financial statement and members report July 2009.

The financial statements were considered in detail, and points of clarification sought. The auditors have given an unqualified opinion on the accounts and full compliance with the corporate governance statement.

Mr Shaw clarified that the college's financial health has been assessed as outstanding. Mr Shaw advised the Committee that there is movement on the reserves relating to the pension funds deficits but that this would not affect calculations for the financial health scores given that pension fund deficits are classed as a non-cash item.

Mr Shaw informed the Committee that the final statement for the year ended 31 July 2009 did not significantly differ from the figures presented in the financial forecast which had been sent to the Learning Skills Council in July 2009. This was deemed reassuring by the Committee.

Mr Shaw drew members' attention to the summary page on the front sheet outlining the auditors' opinion and the major variations in the figures from 2007-2008. The operating surplus was £104K above budget, cash balances increased by £101K, there was a 2.1% increase in average LSC funding rates, and other income decreased by £31K, mainly due to lower rate of investment returns.

Mr Auckland questioned the final sub note of the Independent Auditors report (page 17) pertaining to 'the maintenance and integrity of Huddersfield New College website being the responsibility of the governing body of the college'. Mr Shaw confirmed that the document had since been amended by KPMG and this extract had since been deleted from the final version.

Mr Auckland also questioned the need for Mr Kennedy's name (Deputy Principal) appearing on the list of Corporation Members (page 10), given that he only serves Committees or is in attendance. It was agreed that Mr Kennedy's name should be removed from the member's list.

Resolved:

- **To recommend the financial statements and member's report for approval by the Corporation, the agreed amendments have been made.**

5.2 Management Accounts for the three months ended 31 October 2009.

The management accounts were considered and discussed. Mr Shaw advised the committee that the colleges' underlying cash position was £56k higher than forecasted in June 2009.

Mr Atkinson queried why only forecast figures for the census date (19 October 2009) were included in the commentary. This is to be amended.

Mr Shaw drew members attention to the costs incurred through the extra student numbers identified on page 3. The committee was advised that the college will meet the initial cash target with the number of additional students thus generating an additional £198k. The shortfall of £198K has been reserved for repayment in 2010-11 which falls outside this financial period. This is reflected in the Monthly Cash levels on page 4.

Resolved:

- **That the report be received**

5.3 Treasury Management Review

This policy sets out the strategy and framework for cash management, short and long term investment and borrowing.

The policy was reviewed and the Committee noted that it refers to the 'Finance Manager'. The policy is therefore to be amended to reflect Mr Shaw's new title.

Members also asked for the paragraph relating to investment returns and terms (page 2, 4th paragraph) to be amended to reflect actual practice.

It was also deemed necessary to relate back to the minutes from June 2009 (item 9: Bank Deposits) in which it was resolved for Mr Shaw to only deposit monies in any AAA rated bank in light of the current financial climate. Under this resolution, the only AAA rated bank at present is the Bank of England. Mr Shaw advised the Committee that HNC currently use Abbey Santander, Bank of Scotland and Yorkshire Bank. Yorkshire bank is part of the National Australia Bank which is rated as AA as of 4th September 2009. Abbey is rated AA and Bank of Scotland A+. The policy is to reflect this.

Resolved:

- **To rescind minute 9 of the meeting held on 22nd June 2009.**
- **That the policy be approved with the amendments made.**

6. HUMAN RESOURCES:

6.1 Retirement Age Policy

The Retirement age policy was considered and discussed.

Resolved:

- **That the Policy be approved.**

6.2 Retirement Age Procedures:

It was agreed by the Committee that paragraph 1.2 of the Retirement Age Procedure needed to be reworded given the confusion caused in its current format.

Resolved:

- **That the Retirement Age Procedures be approved with the amendment made.**

6.3 Staff Recruitment and Selection Policy:

The Staff Recruitment and Selection Policy was considered and discussed.

Resolved:

- **That the Policy be approved.**

6.4 Staff Recruitment and Selection Procedures:

The Committee recommended for the document pages to be numbered for ease of reading and that reference to 'chair person' be amended to read 'chair'. Furthermore, it was deemed appropriate to make it clear in the document that the interview Grid – Appendix 2 poses sample questions only and that there is scope for flexibility.

Resolved:

- **That the Staff Recruitment and Selection Procedures be approved with the amendments made.**

7. HEALTH & SAFETY

At the last Corporation meeting it was agreed for a Health and Safety Pack to be sent to all members advising them of the Corporate Manslaughter and Corporate Homicide Act 2007 and the Health and Safety Offences Act. This information pack has been sent to all Corporation Members, however it was deemed necessary for these items to be reviewed at this meeting thus allowing for comments from other members at the next Corporation Meeting.

Ms Smithson and Ms Williams advised the Committee that College Insurers are compiling a briefing for staff on Corporate Manslaughter. It was deemed appropriate to extend this training to Governors.

Mr Atkinson also questioned why 'students' had been missed from the Corporate Manslaughter briefing circulated by AoC. This is to be checked with the author of the report and the response is to be fed back to the Corporation.

Members were of the view that it would be beneficial for the Annual Health and Safety Report to be presented at next Committee Meeting in February 2010.

Ms Williams drew member's attention to the Safeguarding responsibilities and the Safer Learning agenda. It was agreed that Criminal Records Bureau (CRB) checks are to be completed on all Governors in lines with best practice, legislation and the Instruments and Articles for Governance. Ms Shackleton informed members that the college will pay for the CRB checks and that disclosure application forms have been requested.

It was also agreed necessary for the Inspection framework with regards to the increased safeguards to be reviewed thus prompting consideration for the need for governor briefings and the possible review of the current Child Protection Policy. This is to be taken forward by the Clerk and Ms Shackleton.

Resolved:

- **For the Annual Health & Safety Report 2009-10 to be presented at next committee meeting**

- **Best practice initiatives to be determined with regards to the safeguarding agenda and inspection framework. The Clerk and Ms Shackleton to take this item forward.**
- **Governor briefings on Corporate Manslaughter to be organised for a future Corporation meeting. The Clerk and Ms Smithson to liaise on this item.**
- **CRB checks for all Governors to be initiated.**

8. AOB

- ***Confidential Item Pay Review of Senior Postholders.***
- *Fire evacuation procedures:* It was agreed that it was prudent for this to be reviewed.
Resolved:
 - **For Mr Harvey Cole, the Health and Safety Officer to attend the next Committee Meeting, if available.**
- Availability: Mr Smelt advised Members that he is unable to attend the Committee meeting on 21st June 2010. It was agreed for the Clerk to confirm other member's attendance at this meeting to ensure quorate status. Mr Atkinson has agreed to chair this meeting in Mr Smelt's absence. Mr Smelt is however to feedback any issues with regards to the 3year financial forecast to Mr Atkinson in time for the Corporation meeting thereafter.

9. DETERMINATION OF CONFIDENTIALITY

It was deemed necessary for the following documents to remain confidential:

- All paperwork relating to 'Building Schools for the Future'
- Pay Review of Senior Post holders (AOB).

10. Date of next meeting: Monday 8th February at 4.30pm