

**HERTFORD REGIONAL COLLEGE
RESOURCES & GP COMMITTEE
5th March 2015.**

**Members Present; Mike Carver (Acting Chair)
Andy Forbes (Principal)
David Tweedie**

**In Attendance; Desdra Kingdon (Deputy Principal Finance & Resources)
Karen Fleet (Director of HR)
Warren Gordon
John Fowl (Clerk to the Corporation)**

245. To Receive Apologies for Absence.

Apologies were received from Ian Cowin.

246. Declaration of Interests and to Notify Part 2 Agenda Items

Mike Carver & Andy Forbes declared that they are Directors of CK Assessment and Hertvec.

247. To Approve the Minutes of the Resources Committee held on 03/12/14.

The minutes were approved.

248. Matters Arising.

Warren Gordon informed the Committee that during his recent Link Governor visit the issue of staff morale was raised and he felt obliged to report this as a concern for Governors and SLT. He expressed the view that it was important for staff to feel valued and 'listened to'.

249. To Receive the Human Resources Report.

Karen Fleet highlighted the issues of staff morale, turnover levels and sickness absence which was above the national average for the sector. All of these issues were receiving the attention of the SLT. Governors were of the opinion that the low number of appraisals so far conducted contributed to low staff morale.

The HR KPIs were noted and the Committee was informed that there was just one disciplinary case currently being pursued but that there were no Employment Tribunals outstanding.

In addressing the low morale of staff it was noted that feedback identified that some of the problem lies with systems that are no longer suited to the tasks staff are expected to carry out. The college is trying to automate as many of these systems as possible.

The high level of staff turnover as well as the replacement of the Principal post, had seen the budget for recruitment being overspent in order to recruit replacement staff.

Members were told that the TUPE process for the transfer of Children's Centre staff to the college is underway.

Governors were informed of the interim arrangements being discussed to cover the role of Principal once Andy Forbes leaves the College in April and the period till Tony Medhurst takes up post.

Feedback from staff regarding the staff conference had been positive and there are talks in place with the Trade Unions with regard to establishing a Career Development Framework.

It was **Resolved** that the Report be Received

250. Enrolment & Funding KPIs.

Both senior managers of the MIS function had been off work ill and so this item was left till the next meeting.

251. To Receive the Management Accounts January 2015.

The accounts were currently showing a favourable variance of £958,000 but this is expected to reduce to a deficit outturn of £108,000 by the year end.

The EFA had notified the College of its' funding for 2015-16 and a bid for additional student numbers had been made to reflect the expected increase in numbers due to the new building at Ware being opened in September 2015 attracting more students.

Members noted the key funding issues and the main variances in Income & Expenditure shown in the accounts.

It was confirmed that all vacancies are considered by the SLT before any replacement staff can be recruited.

There was now approximately £713,000 due to the College from the Saudi Project and this was expected to be invoiced for by the end of the month.

It was **Resolved** that the Management Accounts for January 2015 be Received.

252. To Consider Amendments to the Financial Regulations.

It was known that Ian Cowin as Chair of the Committee had definite views on this item and so it was agreed to defer the discussion until the Board meeting on 26th March.

253. To Receive an Update of the Position Regarding HRC³.

The Principal reported that Ricky Seghal had verbally accepted the College standpoint regarding the disputed loan and a meeting of Trans2ed Ltd is now to be arranged to initiate the liquidation of the company. The cost of this will be approximately £6000 and a similar sum to liquidate HRC Cube.

It was **Resolved** that the Committee supports the SLT in the decision to liquidate both companies and at that the costs involved.

254. To Receive a Progress Report on the Saudi Arabian Project.

Warren Gordon provided feedback on his discussion with Neil Hamnett & stressed it was essential that the College kept a tight rein on all expenditure associated with the project and how it progresses in respect of the Joint Venture.

Given the experience the Governors had with this project the view was expressed that the Board should demonstrate caution with any future projects.

The Principal stated that with a management team now in place in SA the marketing for the 3 colleges was much better and an improved enrolment for September 2015 would ease the financial situation.

The Committee discussed the concerns that are continuing with regard to recharges of expenditure by each Joint Venture partner and the stance taken by the College representatives on the Hertvec Board where some of the charges are in dispute.

It was agreed that a review of the project and the mistakes made should be undertaken as soon as possible to ensure the same mistakes do not impact on other future projects.

It was agreed that the HRC Board needed to decide what information it required and in what format and the frequency of reporting and whether this should be to the Resources Committee or the full Board.

The Committee was told that Andy Forbes would continue as a Director of Hertvec until Tony Medhurst takes up post.

It was **Resolved** that the Report be Received.

255. To Receive the Management Accounts of CK Assessment.

Members received the accounts.

In setting the budget for CK Assessment for next year there will be a number of assumptions used on which the budget projections will be based.

Governors noted the difficulty in estimating the income for some of the provision offered by CK Assessment and this made budget setting difficult. It was hoped that with time a better understanding of the annual financial profile of the company may help in future years.

It was **Resolved** that the CK Assessment Management accounts be received.

256. Any Other Business.

There was no other business.

257. Date of Next Meeting

Thursday 25th June 2015.

Signed.....

Date.....