

STRATFORD-UPON-AVON COLLEGE CORPORATION

MINUTES OF FINANCE AND GENERAL PURPOSES COMMITTEE FRIDAY 10 JULY 2009

Present :	Alan Richardson	Chair
	Mike Atkins	Governor
	Tony Jefferson	Governor
	John Latham	Governor
	Martin Penny	Principal
In attendance :	Elaine Rowlands	Governor
	David Jackson	Clerk to the Corporation
	Charles Anderson	Deputy Principal
	Norman MacDonald	Vice Principal – Finance

1. **APOLOGIES**

Apologies were received from Kay Taylor.

2. **DECLARATION OF INTEREST**

Members were invited to declare any interest in business to be discussed at the meeting, following which it was reported that:

- a) John Latham reminded members that he was Pro Vice-Chancellor of Coventry University;
- b) Alan Richardson was a Governor of Coventry University.

3. **MINUTES OF LAST MEETING**

It was resolved **THAT:**

The minutes of the meeting held on 13 March 2009 be regarded as correct and signed by the Committee Chair. (See item 20 for confidential minute.)

4. **MATTERS ARISING**

There were no matters arising that were not dealt with elsewhere on the agenda as substantive items.

5. **MANAGEMENT ACCOUNTS 2008/09**

The Vice Principal – Finance introduced the Management Accounts for the period 1 August 2008 to 31 May 2009, together with the accompanying summary. Key variations to the original draft Budget were discussed, including redundancy payments and abortive costs associated with the collapse of the LSC Capital Programme. It was confirmed that the abortive costs of £300,000 were accounted for in the 2008/09 Accounts, split between recurring Revenue expenditure and exceptional below-the-line costs. The possibility of financial assistance from the LSC towards this expenditure was discussed. The Vice Principal - Finance indicated that he did not expect the June accounts to differ greatly from those for May although there were some issues of presentation that were currently the subject of discussion with Baker Tilly, the outcome of which would be shared with Committee members.

It was resolved **THAT:**

The Management Accounts for the period 1 August 2008 to 31 May 2009 be recommended to the Corporation for approval.

6. **COLLEGE BUDGET 2009/10**

The latest Budget for 2009/10 was presented by the Principal and reflected actions taken to reduce on-going expenditure, particularly in terms of restructuring and redundancy. He indicated that extensive consultation had taken place with the staff and Unions and, whilst there were some pockets of resistance, staff were generally supportive of the new structure and the revised salary framework which had been discussed with Governors at the March meeting.

Governors questioned the position in which Stratford-upon-Avon College found itself compared to other colleges. The Principal indicated that Stratford-upon-Avon College had identified and responded promptly to the changes in financial circumstances whilst many others were only now beginning to address the problem. The Vice Principal – Finance referred to statistical data which indicated that colleges nationwide were all facing challenging financial times.

The Principal indicated that trying to prepare the 2009/10 Budget was particularly difficult as the information flow from the LSC was constantly changing, sometimes twice in one day.

The Committee went on to consider the implications for cash flow which are looking very tight at the end of December and January and asked for a cash flow for best/worst case scenarios for next term's meeting which needed to be realistic.

After clarification around a number of points, including:

- The Rugby offer;
- The possibility of partnership working with Evesham and Malvern Hills College;
- The current non provision of any salary award for 2009/10 beyond the delayed payment/new salary framework deferred from 2008/09;
- The need for a surplus for 2009/10.

The Committee felt able to recommend the Budget to the Corporation.

It was resolved **THAT:**

The College Budget for 2009/10 be recommended to the Corporation for approval.

7. LSC 3-YEAR FINANCIAL FORECAST

The Committee noted that the 3-year Financial Forecast could not be completed until the draft Budget had been agreed. The Committee would meet on 24 July 2009 at 12.15pm to consider the document with a view to agreeing to recommend it to the Corporation for approval.

It was resolved **THAT:**

The report be noted.

8. FINANCIAL REGULATIONS REVIEW

The Committee considered the suggested revision to the College Financial Regulations which had been undertaken to make the document more user-friendly and reflect appropriate working practices. After lengthy discussion and assurances in relation to training,

It was resolved **THAT:**

The revised Financial Regulations be recommended to the Corporation for approval.

9. ANNUAL MAINTENANCE PLAN / FUTURE ACCOMMODATION STRATEGY

The Vice Principal – Resources up-dated the Committee on the current situation regarding maintenance of the estate and actions to be taken to develop a new Accommodation Strategy in the light of capital decisions by the LSC.

He indicated that there was currently no Long Term Annual Maintenance Plan and the previous plan had become life expired. The College had been working on the belief that, as much of the older accommodation would be demolished and replaced, maintenance would be minimal.

A condition survey, funded from the maintenance budget, would shortly be commissioned and this would form an integral part of the revised strategy and inform the long term planned maintenance schedule for future years.

It was the College's intention to continue with essential maintenance work and an allowance had been made in the Budget for 2009/10. The demands on the budget would be tight and no allowance had been made for any unforeseen/urgent work emerging such as a roof replacement.

The College Executive had given consideration to the future direction of the estate and the intention was to share that information and condition survey with the Accommodation Working Group in the Autumn Term. The objective would be to arrive at an outline accommodation strategy for the December 2009 Corporation meeting.

It was resolved **THAT:**
The meeting support the actions outlined and referred to above.

10. OVERSEAS TRAVEL

Following discussion at the November 2008 Committee meeting, a summary of overseas travel for 2007/08 which excludes visits to EU countries had been prepared. In view of the current national interest in expenses, the approximate cost of each visit remained in the report.

The Committee discussed the volume of travel and asked the Executive to explore the possibility of obtaining assistance with travel costs from organisations such as UK Trading Investment or Regional Chambers. A report on overseas visits in 2008/09 would be made to the main Autumn Term meeting.

It was resolved **THAT:**
The report be received and the Committee urge the Executive to explore the possibility of seeking assistance with overseas travel costs from other bodies.

11. FRAMEWORK FOR EXCELLENCE

The Committee discussed the Introductory Guide for Governors on the Framework for Excellence published on 21 May 2009, together with the summary of the College's Framework for Excellence grades for the pilot year 2007/08, published by the LSC on 15 May 2009, and a briefing paper giving further information behind the grades. The Committee explored the outcome in relation to Financial Health and Financial Management and Control grades. The impact of SBS on the grades was explored, together with other issues behind the grades.

It was resolved **THAT:**
The Committee recognise that the report was a fair reflection of the College in 2007/08 in relation to the financial aspects and look forward to improved grades in 2008/09.

12. MORE FREQUENT PAYMENT OF SUPPLIERS

The letter from the Learning and Skills Council urging the College to pay suppliers at regular and more frequent intervals was considered, together with a letter tabled which the Principal had written to the LSC in response.

It was resolved **THAT:**
The Committee support the Principal in the sentiments expressed to the LSC and consider the response to be appropriate, particularly given the problems encountered by Stratford-upon-Avon College in relation to LSC actions.

13. HEALTH AND SAFETY TERMLY REPORT

The Health and Safety Termly Report for Spring 2009, which had previously been discussed by the Executive Team, was discussed by the Committee.

It was resolved **THAT:**
The report be received and considered there to be no issues arising.

14. HUMAN RESOURCE STATISTICS

The Committee discussed the headline Human Resource Statistics which now included numbers of employees on paternity leave, leaving the College, and promoted. The Committee went on to discuss comparative data for future reports.

It was resolved **THAT:**
a) The HR statistics be received and no cause for concerns were identified;
b) The Committee agreed the proposal to present the statistics in future to provide meaningful comparison data.

15. APPOINTMENTS PROCEDURE

The Committee considered the revised Appointments Procedure which highlighted changes to the existing Policy to reflect working practices.

It was resolved **THAT:**
The revisions to the Appointments Procedure be approved by the Committee, subject to the incorporation of a review date.

16. IDENTIFICATION OF REPORTS TO FUTURE MEETINGS

As agreed at the Corporation meeting in December 2005, each Corporation Committee was requested to identify any specific reports for future meetings.

It was resolved **THAT:**
There were no specific reports identified by the Committee for future meetings.

17. REVIEW WORK AND EFFECTIVENESS OF COMMITTEE

The Committee reviewed its work and effectiveness over the last 12 months with a view to informing the Self-Assessment Report to be completed at the end of the Summer Term. The Principal indicated that the Committee had been challenging during the year and the Governors' input had been very useful, particularly beneficial had been the involvement of Mike Atkins as a Link Governor.

It was resolved **THAT:**
The Committee considered that, given the financial climate, the work throughout the year had been particularly challenging but members considered that they had been effective working with College management in reducing the on-going costs of the College.

18. ANY OTHER BUSINESS

There was no other business.

19. DATES OF NEXT MEETINGS

It was resolved **THAT:**
The Finance and General Purposes Committee meet again on:

- **Friday 24 July 2009 at 12.15pm** and
- A date to be agreed in September 2009.

CONFIDENTIAL ITEM

20. CONFIDENTIAL MINUTES

The confidential minutes of the Finance and General Purposes Committee meeting held on 13 March 2009 were tabled at the meeting.

It was resolved **THAT:**

- a) The confidential minutes of the Finance and General Purposes Committee meeting held on 13 March 2009 be regarded as correct and signed by the Committee Chair;
- b) The confidential minutes of 13 March 2009 meeting be released into the public domain.

Signed :(Committee Chair)