

Group :	FINANCE AND ESTATES COMMITTEE	Date:	14/06/2010
Location:	CONFERENCE ROOM, SSFC	Time:	5.45 PM
Attendees:	J. Stephens – Assistant Principal, Resources Janet Jones – Clerk to the Corporation	Apologies:	None
Membership:	David Pulford (Chair), Tim Jones, Simon Keeble, Barbara McCormack, Robert Rosson, Martin Ward		

41. **Declarations of Interest**

There were no declarations of interest

Minutes

42. Resolved:

That the Minutes of the meeting of the Finance and Estates Committee held on 1 March 2010 be approved as a correct record.

Matters Arising:

43. **2008/09 Financial Statements** (Resolution 33)

In response to a Governor's query, the Assistant Principal advised that the College now had a Relationship Manager at Lloyds.

Year to Date Management Accounts and Outturn 2009/10 (Appendix 22/10)

The Assistant Principal submitted the management accounts to 30 April 2010 and outturn forecast for review and advised that all targets were on track to achieve an overall score of 'Good'.

A Governor asked what the position was with regard to the International Baccalaureate. The Principal advised that many Colleges were now deciding not to offer this as an option as it was not proving economic and that there was not a high demand for the qualification.

44. Resolved:

That the Year to date management accounts for the nine months ended 30 April 2010 and outturn 2009/10 be approved.

Three Year Financial Plan (Appendix 23/10)

The Assistant Principal submitted the three year financial plan to 2010/13 including:

- Commentary
- Income and Expenditure
- Balance Sheet
- Cashflow

She made particular reference to the following matters:

- the agreed restructure of the Senior Leadership Team and consequent savings which had been reflected in the pay budget for 2010/11 onwards.
- the benefits of the introduction of a 7 block timetable which provided greater flexibility
- the need to alter the Payroll % income target from the original target of 77.81% to 76%

The Principal referred to learner numbers and advised that it was difficult to make estimates because of the uncertainty as to who would be responsible for funding sixth form colleges. It was therefore too risky to expand learner numbers as funding for this was not guaranteed.

The Principal stated that the Plan represented the best case scenario and that issues such as the impact on the College of academy schools; the pay award 2010/11 and the payroll % income would need to be monitored. It was likely that further efficiencies would need to be made.

The staff Governor referred to the introduction of a 7 block timetable and stated that this would result in a longer teaching day and increased responsibility on teachers and that staff were uncertain as to how it would work to ensure quality of provision was maintained. She advised that staff were mindful of the financial constraints and would need to pull together to continue to deliver quality teaching.

The Principal emphasised that demand for places at the college remained high and that he was hopeful that this would be sustained in future year although it was important to be aware of future competition.

45. Resolved:

- (a) That the financial strategic objectives, as detailed on page 6 of the commentary, be approved
- (b) That the Key Performance Indicator targets detailed on page 7 of the report, be approved, subject to the Payroll % Income target being amended to 76%.
- (c) That the 3 year financial plan, including the initial budget for 2010/11, as set out in Appendix A be approved.

Final Planned Maintenance Programme for 2010/11 (Appendix 24/10)

The Assistant Principal submitted the Planned Maintenance Programme for 2010/11 based on the Estates Manager's internal audit and the Shropshire Council's recent inspection report.

A Governor asked whether it would be possible to utilise SCAT students taking vocational subjects to undertake minor repair works. The Principal advised that work was normally carried out during the summer term but that he would pursue this suggestion with students from other colleges.

In response to a Governor's query, the Assistant Principal advised that a bid for funding from The Wolfson Trust had been submitted but that the bid would need to be match funded. If successful, the funding would amount to approximately £49,000.

The Principal advised on action taken to obtain sponsorship for the college, including the use of notice boards and the website. He stated that approaches for sponsorship had been made to larger organisations but had not been successful.

46. Resolved:

That the final updated Planned Maintenance Programme for 2010/11 be approved.

Premises and Health and Safety Report (Appendix 25/10)

The Assistant Principal submitted a premises update to May 2010.

The Principal advised that it had been possible to schedule additional work at the Learning Centre funded from provision in the diploma fund.

47. Resolved:

That the report be noted.

Risk

48. Resolved:

That the risk in funding terms of anticipated learner numbers not being realised, both in terms of being under or over subscribed, be added to the risk register.

49. **Date of Next Meeting** – Monday, 8 November 2010 (provisional)