

Group :	FINANCE AND ESTATES COMMITTEE	Date:	13/06/2011
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		

25. **Declarations of Interest**

There were no declarations of interest

Minutes

26. Resolved:

That the Minutes of the meeting of the Finance and Estates Committee held on 28 February 2011 be approved as a correct record.

Matters Arising:

27. **Health and Safety Report** (Resolution 22/11)

Pursuant to resolution 22, the Assistant Principal, Resources reported that she had contacted Shropshire Council regarding improved traffic arrangements/signage outside the college but that the Council had advised that there were no plans to make any improvements at the current time.

28. **Risk** (Minute 23/11)

The Assistant Principal, Resources confirmed that the risk of students crossing the road outside the main college gates was still on the risk register.

Year to Date Management Accounts and Outturn 2010/11 (Appendix 14/11)

The Assistant Principal submitted the management accounts to 30 May 2011 and outturn forecast for 2010/11 for review and advised that all targets were on track to achieve an overall score of 'Good'. She confirmed that the score may have reached 'outstanding' had it not been for exceptional costs as a result of the recent staffing restructure.

29. Resolved:

That the Year to Date Management Accounts to 31 May 2011, including the following main points be noted:

- Year to date operating position - £256k surplus and on target for planned outturn budget of £54k.
- Exceptional costs of approximately £209k in 2010/11 relating to staffing structure
- Current ratio expected to be 2.97 by year-end in line with target
- Cash balances increased to £1.8m as a result of main grant profiling and first instalment of YPLA Capital Project BCIF Grant and forecast to be £1.5m at 31 July 2011.
- Financial health self graded as 'Good' for 2010/11

Three Year Financial Plan (Appendix 15/11)

The Assistant Principal, Resources submitted the three year financial plan to 2013/14 including:

- Commentary
- Income and Expenditure
- Balance Sheet
- Cashflow
- Financial Health Grades

A Governor queried whether recent increases in utility prices would affect the forecast figures. The Assistant Principal advised that it was a risk but the estates team would mitigate the risk by implementing the Energy Management Policy and the change to the college's opening/closing hours.

In response to a question, the Principal gave clarification on how success results affected funding levels and confirmed that the dip in results in 2009/2010 following exceptional results the previous year, meant that an estimate of £80k had been deducted from the income budget in 2012/13. He advised that it was still anticipated that 50 additional learners would be enrolled at the College in September 2011.

A Governor queried the low allowance of inflation for non-pay assumptions. The Principal advised that the figures included the assumption that costs would in real terms be cut. It is an area of risk and will be monitored carefully.

In respect of capital expenditure on page 16 of the report, a Governor suggested that consideration be given to the roof repairs to the main building being treated as revenue expenditure, subject to the grant conditions being adhered to.

With reference to main risks outlined on page 17, a Governor asked what would be the likely impact of any strike action by staff. The Principal advised that there was a threat that, should the reputation of the College be damaged, learners from the Telford area in particular may be lost. Apart from one possible College in Telford, he was not aware of widespread strike action across all colleges in response to cut backs.

30. Resolved:

- (a) That the financial strategic objectives, as detailed on page 5 of the commentary, be approved
- (b) That the Key Performance Indicator targets detailed on page 6 of the report, be approved
- (c) That the overall 3 year financial plan, including the initial budget for 2011/12, as set out in Appendix A be approved.
- (d) That, in respect of Capital Expenditure, the Assistant Principal, Resources look into the feasibility of the roof repairs to the main building being treated as revenue expenditure

Capital Grant and Planned Maintenance Programme for 2011/12 (Appendix 23/11)

The Assistant Principal, Resources submitted a report setting out the progress to date on capital projects and the 2011/12 Planned Maintenance Programme for approval.

In respect of the Huts Project, a Governor suggested that, in order to identify potential threats to the timely completion of the project, a matrix of key players be drawn up to track progress. The Assistant Principal undertook to take this up and also confirmed that the budget for this project included an amount for landscaping.

A Governor asked how the timing of works would affect students on site. The Assistant Principal advised that the timing of works was critical and the risk of failure to complete the projects on time was on the risk register. It could be necessary to obtain additional classroom space and look at leasing accommodation on a temporary basis. Access points to the College would also be affected and would need to be managed on health and safety grounds.

31. Resolved:

(a) That progress on the following capital projects be noted:

- The Huts Project (part funded by YPLA)
- The Beckbury Project (part funded by YPLA)
- The Roof Repair Project (part funded by YPLA)
- The Wolfson Project (part funded by Wolfson Foundation).

(b) That the 2011/12 Planned Maintenance Programme be approved.

Health and Safety Report (Appendix 24/11)

The Assistant Principal, Resources and Risk submitted a report on Health and Safety issues.

32. Resolved:

That the Health and Safety Report be noted, including the following main issues be noted:

- Health and Safety Committee – Minutes from 19 May
- Fire Evacuations – two drills to take place in the Autumn term and no serious issues from last test.
- Incidents and accidents – No major incidents/accidents to highlight.

33. **Risk**

There were no new areas of risk arising from the meeting.

34. **Date of Next Meeting** – 5.45 pm on Monday, 7 November 2011 (provisional)