

# Minutes of the F & GP Committee

9 March 2010

**Present:** Mr M Murray (Chair)  
N Chohan (Principal)  
Mr M Dixon  
Dr R L'Amie  
Dr R Dugdale  
Ms L Romaniak

**In attendance:** L Swift (Head of Finance)  
S Jones (Ass Principal)  
J Stott (Clerk)  
S Butler (Minute Secretary)

**Apologies:** -

**Meeting commenced:** 19:05

**Meeting closed:** 20:00

---

**01/10 Disclosure of financial and/or personal interest**

There was no disclosure of financial and/or personal interest.

**02/10 To agree agenda and order of business as circulated**

It was agreed to move Item 5 towards the end of the agenda as the presenter, Nigel Hainsworth, was still on his way back from Birmingham and probably would not arrive until after 8 pm.

**03/10 To approve the minutes of the meeting held on 8 December 2009**

The minutes were approved as a true record with one matter arising as detailed below.

**04/10 Matters arising**

**i) To receive 2008/09 Reconciliation of Year End Actual to July 09 Forecast Figures**

The Head of Finance presented item 4i) which referred to page 2 of the minutes at 72/09 - a Draft End of Year Accounts for the period to 31 July 2009.

Members received the reconciliation of the July 2009 forecast out turn for 2008/09.

05/10

**i) To consider the bi-monthly Management Accounts for the period to November 2009**

This paper was to have been presented at the meeting on 19 January 2010 which was cancelled so the figures have been superseded by ii) below

**ii) To consider the bi-monthly Management Accounts for the period to January 2010**

The Head of Finance presented the paper and explained that there was nothing of particular significance which she needed to highlight in the report so went through the main points as follows.

We have a retained surplus of £304k, though it is not something to get too excited about. This shows we have achieved £172k in new income and quite a few savings on expenditure. It has also been helped by the fact that the LSC finally paid a further £30k for our over-achievement in 08/09. As an overall position, we are doing better and have met the target through employing a variety of actions, for example, some posts have been frozen or not filled, such as additional support for SMT.

One member pointed out that page 6 of the report shows outstanding financial health. The Head of Finance explained although this is the case at the moment, it will probably drop later in the year. Page 9 of the report shows that payroll as a percentage of income has dropped. This is due in part to there being no pay increase.

The unemployed contract is a good pot for us which we are managing to tap into and is one of our main potentials for growth. Our relationship with nearby Job Centres needs to improve, but we are getting referrals from other Job Centres in Keighley and Bradford which is encouraging.

The report was received

**06/10 To receive the 3-year Financial Forecast update prepared in January 2010**

This paper was to have been presented at the meeting on 19 January 2010 which was cancelled so the figures have been superseded by 91/10 below.

**07/10 To consider the 3-year Financial Forecast update prepared in February 2010**

The Head of Finance explained that there has been a change in the format of these forecasts and they are being split by sectors so the

spreadsheets have been re-designed. The bottom line has not changed much at all, however, there is no income target left to achieve in these forecasts. Savings have been made on both pay and non pay budgets.

Bingley Connection has been closed. This has not resulted in any income loss as the courses have been relocated to the College.

The figures include the pay increase from Aug 09 to Feb 10 which will only be paid if the outcome for the year is achieved. For future years, pay increases have not been assumed.

In terms of the LSC income, we are still negotiating. There are pots of money still to be had and we have identified some areas of growth that could be bid for. We have some challenging income targets ahead and need to make sure we deliver to contract.

The Chair acknowledged that a lot of hard work had gone into achieving our current position.

The report was received

**08/10 To consider a progress report on the operational effectiveness of the Risk Management Plan with respect to financial issues**

The Principal presented this item and went through all the risks which have been assessed as 'significant' explaining as follows:

Our financial health for 08/09 was graded as satisfactory and, currently, 2009/10 onwards is forecast to be good, but the next years will be difficult, meaning new posts will continue to be frozen where they can be.

We have taken on more Train to Gain and will have more Apprentices next year. There are some reductions in Train to Gain. In part because in 09/10 second level 2 qualifications were offered free of charge but next year, this will not happen. The money will be made up by the employers' fees.

In terms of FE priorities, £1.5 million for adult learning provision has now been cut to £1.2 million. We have been over-delivering in 2009/10, delivering around £2 million, so we need to change what we currently do, for example, short courses for adult leisure. We will change these to full cost recovery courses which will be shorter with a reduction in associated delivery costs.

A letter will be sent out to all staff on permanent contracts asking if anyone would be prepared to agree to voluntary severance. We are trying to cut out all costs that we can without being too aggressive.

The report was received.

**09/10 To receive details of a new Partnership arrangement**

The Principal briefly took members through the paper explaining about new funding sources. The LSC are controlling the funding at a micro level which has resulted in considerable further paper work.

We are not offering some of the courses that people actually need, eg, CCTV, Security and Construction training. Therefore we are trying to deliver them through partnerships. Two successful partnerships to date are with Trescom and Elite Top Guards (ETG). We are looking at the possibility of other partnerships down the line, but we need to actively go out and build up some of these partnerships. Although things are progressing well we need to keep close track of all partnerships. There is little financial risk - it is more of a reputational risk.

*Word was received from Nigel Hainsworth that he would not be able to make it to the meeting before 8.15 pm. In the circumstances, and as the meeting was coming to a close, the Committee agreed to defer his presentation to the next meeting on 11 May 2010 which Nigel had confirmed he would be able to attend.*

**10/10 To receive, for information, an interim report on the Student Union (Income and Expenditure) end of year accounts to January 2010**

The Head of Finance pointed out that just a few transactions have gone through. The main reason for students joining seems to be for the discounts. The NUS subscription fee is £250. Perhaps finding more extra curriculum activities for them would help. It is a difficult environment to run something like this and we ideally need a student liaison officer to facilitate it.

**11/10 Any Other Business**

**a) To consider an increase in the College Credit Card Limit**

In line with the Financial Regulations, the Head of Finance wanted to address the Committee about raising the College credit card limit from £3,000 to £4,000. There are 2 credit cards: one with £2.5k in the Head of Finance's name and the other card is held by the Resource Centre who have control of £500. The card is used for a variety of purposes - booking travel tickets, resources, one-off suppliers and for taking advantage of on-line discounts.

The proposal to raise the College credit card limit from £3,000 to £4,000 was agreed

**b) Dates of meetings to December 2010**

- ❖ Tuesday 11 May 2010
- ❖ Tuesday 22 June 2010
- ❖ Tuesday 13 July 2010
- ❖ Tuesday 21 September 2010
- ❖ Tuesday 7 December 2010

**c) To decide which of the above items are reported to the Corporation in more detail**

The Chair confirmed the following items to be reported in more detail:

- ❖ 6ii) the bi-monthly Management Accounts for the period to January 2010
- ❖ 8) the 3-year Financial Forecast update prepared in February 2010
- ❖ 10) details of a new Partnership arrangement