

Minutes of the Estates and Finance Committee meeting held on Monday 3 October 2011 at 6:00pm in Conference Room 1, the Astral Centre

Members Present:

Ken Applegate : Governor
 Tina Ellis : Governor
 Kevin Howes : Governor
 David Matthews : Governor
 Simon Summers : Principal
 Richard Perkins : Governor
 Sarah Smith : Staff Governor

In Attendance:

Teresa Miller : Vice Princial
 Julie Roper : Head of Finance
 Charles Reynolds : Clerk to the Corporation

The Chair welcomed all present to the meeting.

Apologies for absence:

Apologies for absence had been received from Bob Mee. Apologies had also been received from Jon Bonham and Marc Wild who should have been in attendance.

Agenda Item	Notes	Action
1.	Disclosures of Interest There were no disclosures of interest relevant to the agenda items.	
2.	Appointment of Chair and Vice-Chair for the forthcoming year	
2.1	Chair The Clerk called for nominations for the position of Chair. Richard Perkins proposed David Matthews who accepted the nomination. This was seconded by Ken Applegate. The vote was in favour. David Matthews abstained. The Clerk handed the meeting to the Chair.	
2.2	Vice-Chair It was proposed by Kevin Howes that Bob Mee be Vice-Chair. This was seconded by Richard Perkins. The vote was unanimous in favour.	
3.	Minutes of the Previous Meeting The minutes of the Estates and Finance Committee meeting held on 27 June 2011 were agreed to be a correct record and were signed by the Chair.	

<p>4.</p> <p>4.1</p>	<p>Matters Arising from the Minutes and not agenda items.</p> <p>Review of Committee Effectiveness</p> <p>The Clerk sought confirmation from the Committee that the record of the review as set out in the meeting papers was correct.</p> <p>It was proposed by Ken Applegate and seconded by Simon Summers that the record be agreed as correct.</p> <p>The vote was unanimous in favour.</p>	
<p>5.</p>	<p>Correspondence</p> <p>There had been no correspondence relevant to the work of the Committee.</p>	
<p>6.</p>	<p>Management Accounts to the end of July 2011</p> <p>This item was presented by Julie Roper supported by Teresa Miller.</p> <p>Members were referred to the meeting paper that accompanied the accounts. Julie Roper confirmed that for the year end 31 July 2011 there was an operating deficit of £103,000. This compared with a revised and approved budget operating deficit of £89,000.</p> <p>An analysis was provided for key variances in both income and expenditure. With respect to income it was confirmed that the key variances related to Adult Responsive Funding which was likely to be £173,000 under target. This however was still to be confirmed and would not be until submission of the final claim had been made. There was also the possibility of receipt of Adult Learning Support Funding which would reduce the £173,000 shortfall. However no guidance had been received on whether this would be forthcoming and would not be clearer until the end of November.</p> <p>As far as expenditure was concerned, staff costs were under budget by £64,000 and this represented 67.8% of total income. In response to a question about pay costs, the importance of securing the change to the lecturer's contract was emphasised as would be the need to consider reductions in staffing levels should future income targets not be met.</p> <p>With respect to Non Pay Costs, it was identified that this was £186,000 under budget. Teresa Miller advised that whilst every effort would be made to continue to make savings in this area, non pay expenditure had already been squeezed hard over a number of years, and there were limits to further savings.</p> <p>Julie Roper confirmed that there had been some gains in the accounts resulting from FRS17. These were explained and the subject of discussion surrounding the reliability of the actuarial valuations of the pension scheme. As a consequence of the gains and releases from Revaluation Reserve, Teresa Miller was pleased to advise an historic profit out turn of £34,000. This was important in the light of the bank loan requirement not to have two years with deficit outturns. The last</p>	

	<p>two years actually recording surplus. Ken Applegate was pleased with the outcome especially with regard to non-pay expenditure. He suggested that the Committee should express its thanks in such a successful outcome to staff. This was agreed to be a good idea.</p> <p>Having received a report on the key variances and anticipated outturns Julie Roper took members through the detail of the Income, Expenditure Account, Balance Sheet, Cashflow, which was identified as healthy, Debtors Report, Capital Budgets, Risk Register and Key Performance Indicators, where the current ratio and cash days in hand were seen as key.</p> <p>Returning to the issue of staff costs Ken Applegate sought confirmation on the actions being taken to control these. Responding the Principal reiterated the importance of a successful outcome regarding the lecturer's contract. He also reminded members of the imminent visit to India in support of Maritime income generation.</p> <p>Ken Applegate stressed the importance for the Committee to know how to monitor changes to ensure the expected benefits of actions taken materialized. This was agreed to be important.</p> <p>In response to a related question the Principal confirmed that all Managers understood the importance of delivering the savings in staffing costs.</p> <p>In the absence of any further questions or discussion Julie Roper was thanked for her report which was received.</p>	<p>Clerk</p>
<p>7.</p>	<p>Health & Safety Policy and Update (Exception report only)</p> <p>In Marc Wild's absence this item was presented by Teresa Miller.</p> <p>With reference to the meeting paper members were advised that there were no substantive changes proposed for the Health & Safety Policy. The changes that were being made related to communication related to communication flows, job titles etc. Teresa Miller was also pleased to advise the Committee that in light of previous concerns on the working of the Health & Safety Committee, she now attended the meetings, a calendar of dates had been established and would be adhered to, and that a meeting had already taken place in August but because of staff holidays already booked, attendance had been low. It was her view however that this should not be an issue now the holiday period was over.</p> <p>In response to a question from Richard Perkins, Sarah Smith who had concerns on the operation of the Committee, confirmed the meeting had taken place but it was in her opinion, too early to say if improvement had been made. The Committee urged her to use her influence to encourage relevant staff to attend.</p> <p>The Clerk reminded the Committee that the Principal was the accountable person regarding Health & Safety and that the work of the Committee was an operational matter. Responding, the Chair acknowledged this and asked the Clerk to confirm there were no</p>	<p>Clerk</p>

	<p>issues of 'Governance' in need of addressing. In discussion, the importance of having assurances that the Health & Safety Committee was working effectively was recognised.</p> <p>Returning to the meeting paper, Teresa Miller updated members on other significant changes. These included two proposals to change the time period for reporting notifiable accidents, changes notified by the DFE to encourage field trips and visits, accident statistics and a 'working at height' policy. Details on each issue were provided.</p> <p>Finally and with respect to the Health and Safety Policy and in recognition that proposed changes were minor it was proposed by Richard Perkins and seconded by Ken Applegate that the Policy be recommended to Corporation for approval.</p> <p>The vote was unanimous in favour.</p> <p>Teresa Miller was thanked for her report which was received.</p>	
<p>8.</p>	<p>Estates Update (Exception report only)</p> <p>In Jon Bonham's absence, Teresa Miller presented this report and was pleased to advise the committee that the Estates Team had had a good summer and that the feedback received from students on the work done to date was really positive. Second year students had apparently found it hard to believe what had been achieved.</p> <p>There were still snagging issues to address, some furniture still had to be delivered, the work in the machine shop, which was being used, would not be complete until half-term because of the delivery dates on new machinery and there was still work to complete on the fifth floor of the Tower Block.</p> <p>In summary Teresa Miller, confirmed that planned work had gone well, that all projects would be delivered in line with agreed budgets and that much of the credit for this was due to the good appointment made in Jon Bonham.</p> <p>The Principal added that there was evidence of improvements in the behaviour of students that could be attributed to the changes made.</p> <p>Members responded positively to the report and it was agreed the Clerk should send a letter of thanks and congratulations to the Estates Team on the Committees behalf.</p> <p>Ken Applegate asked for an update on the Sixth Form College project from the Colleges perspective.</p> <p>Responding, Teresa Miller advised that there had been one or two issues regarding the top soil being used to landscape between the two Colleges. The steps requested near the old retaining wall were in and some planting had been done. As far as the building was concerned Teresa Miller described it as 'very nice.'</p> <p>In response to a question it was confirmed that the contractors were due to be offsite by 4 November 2011.</p>	<p>Clerk</p>

	<p>Teresa Miller advised there was a need to consider the issue of security both around and between the two Colleges and this was being addressed.</p> <p>Teresa Miller was thanked for her report which was received.</p>	
9.	<p>Chairs report to Corporation</p> <p>Members agreed that the following should be reported to Corporation:</p> <ul style="list-style-type: none"> ➤ The appointment of Chair & Vice-Chair ➤ Financial position to the year end ➤ Key details from the Management Accounts which would be provided in the meeting papers for Corporation ➤ Health & Safety Policy ➤ That the Senior Managers were to review the effectiveness of the Health & Safety Committee ➤ Good work on Estates, that there was snagging to complete and the situation regarding the 6th Form College 	
10.	<p>Any Other Business</p>	
10.1	<p>Outgoing Chair</p> <p>Ken Applegate expressed his thanks to Richard Perkins for his efforts as Chair of the Committee over a number of years. This was endorsed and received with thanks.</p>	
11.	<p>Date and Time of Next Meeting</p> <p>The next Estates and Finance Committee meeting will take place on 28 November 2011 commencing at 6pm. The venue to be Conference Room 1, the Astral Centre</p>	