



Minutes of a meeting of the Finance and General Purposes Committee held on Thursday 10 February 2011 in room 3F099, York College

Present: Hilary Bainbridge (Chair)
Peter Burrows
David Johnson
Danny Morgan

In Attendance: Trevor Armer, Director of Finance
Richard Hinde, Clerk to the Governing Body
Andy Mendus, Governor
Graeme Murdoch, Deputy Principal Quality Assurance & Support
Anne Tyrrell, Deputy Principal Resources

The meeting started at 5.10pm.

Action

11.01 Item 1: Apologies for Absence / Declarations of Interest

Apologies were received from Alison Birkinshaw and David Marsh
No declarations of interest were made.

11.02 Item 2: Minutes of the Previous Meeting – 22 November 2010

The minutes and confidential minutes were approved as an accurate record and signed by the Chair. With regard to the Property Strategy and the minute that the outline conclusions of the first stage would be available at this meeting, it was explained that the College was carrying out more work in relation to the “space case” which would mean that the first stage would not be ready until the end of February and outline conclusions were not therefore available for this meeting. This had been agreed by the Chair and the Deputy Principal Resources since the last meeting.

DPR

The Chair also explained that since the last Committee meeting, some members of the F&GP Committee had attended a meeting with College management and had agreed with the proposed recommendation of management to extend the College’s pension deficit recovery period. It was agreed that further information and training on pension issues would be arranged once the final outcome of the Hutton review was known.

DF

11.03 Item 3: Matters arising

a) Action Summary Sheet

The report was considered by the Committee, and it was noted that all issues had either been actioned or were in progress. It was noted that the proposed visit to the Osbaldwick site would be organised for when weather conditions improved. It was also agreed that it should take place about 3.00pm, to ensure that students were still on site.

DPR/
Clerk

(It was agreed that agenda item 8b) should be taken out of order.)

11.04 Item 8: Strategic Progress Reports

b) MIS Review: Update

This item was considered as confidential for which a separate confidential minute was taken.

(Andy Mendus left the meeting at 5.35pm. It was agreed that agenda item 5 should be taken out of order.)

11.05 Item 5: 2010/11 Progress Reports

a) Learner Enrolments

This item was considered as confidential for which a separate confidential minute was taken.

b) 2010/11 FE and Other Funding Forecasts

This item was considered as confidential for which a separate confidential minute was taken.

c) Tutor Utilisation

This item was considered as confidential for which a separate confidential minute was taken.

d) Room Utilisation

The Deputy Principal Resources presented the report detailing the room utilisation data for 2010/11. Based on the annual November survey, utilisation was 35% overall and 32% for teaching and learning accommodation. This exceeded the target of 34% overall set within the Strategic Plan. Some concern was expressed with regard to the level of room utilisation at Osboldwick, where the anticipated level of Construction teaching hours had not been realised.

The Finance & General Purposes Committee resolved to note the report.

e) Treasury Management Report

This item was considered as confidential for which a separate confidential minute was taken.

f) College Business Units

This item was considered as confidential for which a separate confidential minute was taken.

11.06 Item 4: Financial Report for the Five Months Ended 31 December 2010

The Director of Finance presented the report summarising the College's financial performance in the first five months of the 2010/11 financial year. It was noted that a more up-to-date position

was presented in the 2010/11 Mid Year Financial Forecast, which would be considered shortly. It was also noted that the College's financial performance continued to be better than budgeted for this point in the year.

11.07 Item 6: 2010/11 Mid-Year Financial Forecast

a) Financial Forecast

This item was considered as confidential for which a separate confidential minute was taken.

b) Reconciliation with 2010/11 Budget

This item was considered as confidential for which a separate confidential minute was taken.

c) Comparison with 2010/13 Strategic Financial Objectives

This item was considered as confidential for which a separate confidential minute was taken.

11.08 Item 7: Marketing Strategy & Activity: Progress Report

The Deputy Principal Quality Assurance & Support (DPQA&S) presented the report summarising the key activities associated with meeting the aims of the College's Strategic Plan for 2010/11. In relation to the College's Marketing Strategy, the following key points were noted:

- 16-18 recruitment target had been met for 2010/11.
- The A Level faculty had been approved and was now in the public domain, and being used within promotional activities.
- Two successful events for vulnerable students and their parents from York High School had been held in December 2010. These had been well received and were a key activity in ensuring a smooth transition into College.
- The College website had been updated for 2011/12 HE courses.
- The Business Development Unit website had been updated, and a large number of "hits" were being experienced.

In relation to the College's Communications Strategy, the following key points were reported:

- School visits were taking place, generally receiving a positive response from schools.
- Taster Events were again proving popular.
- The Progression Strategy (for existing students) had been established and would be implemented later this term.
- Another Oxbridge event had been held on 12 January 2011 with approximately 80 attendees, who had expressed high satisfaction rates.

It was noted that 1000 College students had applied to go to university this year compared with 920 the previous year. The number of applications to the College was currently ahead of the

position at this time last year, but caution was expressed as it was acknowledged that this year schools were targeting an earlier application process than in previous years. An Apprenticeship evening had been held the previous night to which a strong number of employers had come, and a CBI breakfast held this morning had been well attended. Further work was being undertaken in relation to the formal name for the proposed vocational area. Concern was expressed about the number of students shown to have left the College during the six week period from the start of term. Explanation was provided and discussion took place about actions being undertaken in this regard.

SMT

SMT

The Finance & General Purposes Committee resolved to note the report.

11.09 Item 8: Strategic Progress Reports (continued)

a) Property Strategy: Update

This item was considered as confidential for which a separate confidential minute was taken.

11.10 Item 9: Procurement

a) Procurement Strategy and Progress Report

The Director of Finance presented the report with a summary of the progress made with the implementation of the Development Plan to implement the College's Procurement Strategy. This Development Plan had previously been approved by the Committee on 11 February 2010, and detailed actions to develop the College's procurement activities and resources in line with the Strategy and in light of the recommendations from Turner & Townsend's review of the College's procurement activities.

It was noted that many procurement reviews were being carried out, but the College was currently considering the possibility of securing some professional procurement expertise to progress the strategic aspects of the Plan. Discussions were taking place with other colleges in this regard and consideration was being given to a possible consortium. It was acknowledged that all of the work carried out by the College over the last two years provided a data base of analysis that would be of great value to any independent specialist brought in. It was agreed that the second report in this regard, should build on this report, identify particular lines, and state in more detail what had actually been done. Members agreed that they were in support of the College putting more resource into this area if there was a good potential for this to identify more savings for re-investment in College activities.

Principal/
DF

DF

The Finance & General Purposes Committee resolved to note the report.

b) Analysis of 2009/10 Non-Payroll Expenditure

The Director of Finance presented the report with a summary of the College's non-payroll expenditure in 2009/10, which had previously been requested by the Committee. Detailed consideration was given to the summary which provided details of the College's top twelve expenditure categories in 2009/10. For each category of expenditure, the College's purchases from each of its top five suppliers were also shown and considered by Members.

The Finance & General Purposes Committee noted the report, which would be useful in future work both in targeting efforts to secure savings through improve procurement and in monitoring achievements.

11.11 Item 10: 2011/12 Budget

a) Draft 2011/14 Strategic Financial Objectives

The Director of Finance presented the report providing details of the College's proposed strategic financial objectives for the period 2011/14. It was explained that these objectives reflected those approved in July 2010 and that the key question for the Committee was whether the achievement of 'Outstanding' financial health in 2011/12 (being a consistent surplus of 1.0% of income or more) was possible or desirable in the expected funding climate. Members considered the risk that this objective was likely to be inconsistent with the College's intention to be an 'Outstanding' college rather than a 'Good' one by the end of 2011/12.

Members agreed that it was very important for the College not to operate at a loss but felt that the academic performance of the College should be the prevailing driver. Members agreed that it may not be prudent to insist on a 1% surplus but stressed that they would push for more than a mere breakeven position. Members also agreed that a bullet stressing the over-riding drive for excellence in the student experience, curriculum and performance should be inserted in the stated objectives. It was agreed that the draft objectives would be reworked for further consideration and ultimate approval by the Governing Body.

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The Finance & General Purposes Committee resolved to recommend the Governing Body to approve the College's proposed 2011/14 Strategic Financial Objectives, subject to agreed amendment.

b) Draft Budget Timetable

The Director of Finance presented the report outlining the timetable for the preparation, approval and confirmation of the 2011/12 College Budget, which was considered with approval by the Committee. The Chair explained that an additional Committee meeting may be arranged in early March at the request of the Principal and Governing Body Chair. The Chair would discuss this

Chair

further with the Governing Body Chair before any date was set.
The Finance & General Purposes Committee resolved to note the report.

11.12 Item 11: KPMG Lennartz Proposal

This item was considered as confidential for which a separate confidential minute was taken.

11.13 Item 12: Lead Provider Contracting

The Director of Finance presented the report in relation to the Skills Funding Agency's intention to limit direct funding contracts in 2011/12. It was explained that the College was engaging in discussions with bodies which might there wish to operate as sub-contractors to the college, but that any specific proposals would be presented to the Committee for approval.

The Finance & General Purposes Committee resolved to note the report.

11.14 Item 13: Any Other Business

None.

11.15 Item 14: Date of Next Meeting

Thursday 19 May 2011 at 5.00pm in room 3F099, subject to agreement on any earlier meeting.

The meeting closed at 7.45pm.

Signed (Chair):

Name:

Date: