

GOVERNING BODY

FINANCE & RESOURCES COMMITTEE

Minutes of the non-confidential part of the meeting held on Thursday, 19th March 2009 at 6:15 pm at the Parkshot Centre, Richmond

Present:	Mr T.C. Lim (Chair) Ms Christina Conroy OBE, Principal and Chief Executive Mr Kevin Finnigan Ms Louise Fluker Mr Sylvester Olutayo Mr Tony Hooper (Non-Governor member)
In attendance:	Ms Gabrielle Flint, Vice Principal (Curriculum & Quality) Ms Judith Potter, Vice Principal (Finance and Corporate Services) Mr Paul Coveney, Clerk to the Governing Body
Apologies:	Ms Anna Brekkeflat, College Accountant

Part 1: Non-Confidential Items

1. MINUTES of the meeting on 5th February 2009 were approved as a correct record and signed by the Chair.
2. DECLARATIONS OF INTEREST
In respect of item 2, Sylvester Olutayo declared that he had previously worked within LBRuT in connection with the Family Learning budget.
3. MATTERS ARISING
Referring to item 4, the Vice Principal (Curriculum & Quality) reported that she had held discussions with LBRuT regarding family learning fundable provision, and the College was considering the use of its new mobile test centres for on-line AIG/screening at local sites.

Referring to item 8, the Vice Principal (Finance and Corporate Services) reported that there had been a failure of the College's IT network, which had been down on Monday 9th March until lunchtime the next day. This had identified some areas for improvement in the DR plan, mainly concerning clear communication and escalation paths. The College's IT services were partly internal and partly outsourced, and the College was actively looking to improve the definitions of service boundaries and responsibilities. The College would consider the introduction of contractual remedies for failures by third parties to achieve their service levels. The Committee was of the view that outsourced services required effective management by the College.

4. REVISED BUDGET 2008/09
The Vice Principal (Finance and Corporate Services) reported that the College proposed changes to its budget for 2008/09, further to those reviewed by the Committee on 5th February. The drivers for the changes had been:
 - the delay in the Capital Project, with a consequent reduction in depreciation,
 - the fall in interest rates, with a consequent reduction in income,
 - an over-accrual in 2007/08 for examination fees, and
 - reductions in payroll costs consequent upon the recovery strategy, the suspension of delivery on Employer Responsive, and an over-accrual in 2007/08.The effect of these changes was to reduce planned income by £1.2m, offset by a reduction in planned expenses of £1.4m. The net effect was to show a planned surplus of £383K, as opposed to £169K as originally budgeted.

The Committee recommended the revised budget to the Governing Body for approval.

5. MANAGEMENT ACCOUNTS TO JANUARY 2009

The Vice Principal (Finance and Corporate Services) summarised the management accounts for the six months to January 2009.

The main area for concern in LSC funding was Employer Responsive: a greater proportion of work was being done through partners, so the College could recognise only the amount of funding retained for managing the provision, and there had been a pause in delivery to allow for implementation of the recovery strategy. However, there had been a resolution with the LSC with regard to outstanding Creative Minds funding issues, and clarity with respect to the treatment of current Creative Minds learners. The divisional reporting was losing its significance following the restructuring, but the College would continue to report a lower level of analysis, e.g. by the four Learning Director areas for 2009/10, since this approach had proved successful in providing a focus for corrective actions.

The KPI's were heavily influenced by the decline in income: for instance, Pay Expenditure as a %age of Income had risen to 62.66%, which was still a very good figure for an FE College, especially taking into account the fact that the College had retained people who are currently not generating income, in the expectation that they would be needed when the College moved to more direct provision of Employer Responsive learning in 2009/10.

The Committee noted the management accounts to January 2009.

The Chair requested that, in future, the summary should concentrate on matters of significance, with less detail on the small numbers.

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6. FUNDING/ENROLMENT

The Vice Principal (Finance and Corporate Services) reported that the 16-18 Learner Responsive funding stream was now closed for the year and that Adult Learner Responsive provision was at 90%: the College was aiming to achieve the 10% balance through its recession-based offers and the Summer School. Employer Responsive was at 51% of target, which was effectively on target, since this was "roll-on, roll-off" recruitment.

The Committee noted the funding/enrolment figures.

7. HEALTH & SAFETY REPORT

The Committee noted that guidance to Company Directors suggested that Health & Safety should be monitored on every agenda, and decided that it should follow a similar approach, with reports being presented to every meeting of the Committee, and with specific reports being made of all reportable incidents.

Reviewing the format of the report, the Vice Principal (Finance and Corporate Services) confirmed her earlier report that the College was engaging the services of an H&S consultant, whose brief would include advising on best practice for reporting: the College was hoping to recruit the consultant by May 2009. The consultant's advice would also be used to establish what was good and what less so in the College's figures. The Committee suggested that it was especially important to control outside contractors working on College premises.

The Committee noted the Health & Safety report.

8. ANY OTHER BUSINESS

There was none.

9. DATES OF REMAINING MEETINGS FOR 2008/09

The Committee confirmed that its next meeting would be on Thursday, 30th April 2009, and that future meetings would start at 6:30 pm.

This part of the meeting ended at 7:35 pm

CHAIR