

## MOULTON COLLEGE FEC

### FINANCE AND GENERAL PURPOSES COMMITTEE

#### Minutes of the Finance and General Purposes Committee Meeting held on Thursday 24<sup>th</sup> June 2010

##### Part 1

**Present:** Mr C Alderson-Smith (in the Chair), Mr C Barney, Mrs C Boardman, Mr J Gaggini, Mr P Heygate, Mr C Moody and Mr R Thompson

**In Attendance:** Mr G Davies, Mrs K Sanders, Mr M Wilkinson

**10/92 Apologies for absence (agenda item 1)**

No apologies were received.

**10/93 Declarations of interest (agenda item 2)**

Mrs Boardman declared an interest in any items concerning Daventry District Council and Northamptonshire County Council. Mr Heygate declared an interest as a supplier to the College.

**10/94 Minutes of the meeting held on 27<sup>th</sup> May 2010 (agenda item 3, paper A)**

The minutes were accepted as a true and correct record.

**10/95 Matters Arising (agenda item 4)**

There were no matters arising.

**10/96 People Strategy (agenda item 5, paper B)**

This document would join the Property Strategy in underpinning the Strategic Plan. It had been seen by the Personnel sub-Committee. It had been constructed in 3 parts which could be separated out for specific purposes. The whole document would only be seen by the Board and SMT. The strategy was outlined and discussed. Potential changes in public sector pensions still needed to be factored in. Following discussion, *it was felt that the strategic actions may be extracted into a summary and the fundamental parameters may need to be emphasised more, possibly at the beginning of the document.*

Karen Sanders left the meeting.

**10/97 New Developments – Progress Report (agenda item 6)**

**a) Enabling works (paper C)**

The financial report was discussed. Deejak Ltd were still on schedule to complete the houses by 5<sup>th</sup> July. Work on the new access road would start on 12<sup>th</sup> July. The VAT position was discussed. VAT planning was under way. Following discussion, *the report was noted.*

**b) Student Social Centre (paper D)**

There were no financial changes to report. The reserved matters planning issues had been resolved for the access road and security lodge. The remaining items were due for consideration next week. Following discussion, *the report was noted.*

**c) Sports Therapy and Injury Rehabilitation Centre (paper E)**

The financial report was discussed. The planning application would go back to the Planning Committee next week as the Parish Council had queried whether there had been enough consideration given to PPG4 regarding the business benefits of the project. A document written by the planners supported the College's case. The Parish Council had notified DDC via DLA Law that they were considering a judicial review. Six firms had been shortlisted at the OJEU pre-qualifying stage. Following discussion, *the report was noted and it was agreed that Mrs Boardman would speak on behalf of the College at next week's Planning Committee meeting.*

Gerald Davies left the meeting.

**10/98 Management Accounts for May 2010 (agenda item 7, paper F)**

The accounts were discussed. The surplus to date was £55,558 over the budget. The College was in financial category B this month and rated Good under the Framework for Excellence. Trading conditions were difficult due to the recession and staff were working hard to meet their annual budgets. Following discussion, *the accounts were approved.*

**10/99 Student Association/Student Social Club Quarterly Accounts (agenda item 8, paper G)**

The accounts were discussed. The Student Association surplus was £3,778. The Social Club was currently showing a loss of £2,580. Following discussion, *the report was noted.*

**10/100 Budget 2010-11 (agenda item 9, paper H)**

The second draft of the budget was outlined and discussed. The changes had resulted in a reduction in the forecast surplus of £746. Following discussion, *the second draft was approved.*

**10/101 Three Year Financial Forecast (agenda item 10, paper I)**

The assumptions used to construct the forecast were discussed. They would be further reviewed in the light of the emerging financial situation. The aim was to achieve a surplus of 7% of turnover. The level of debt was discussed. The requirement to be borrowed to 40% of turnover in order to receive capital support had been removed. Following discussion, *the first draft was approved.*

**10/102 Recruitment 2010-11 (agenda item 11, paper J)**

The number of applications continued to increase but the conversion rate into acceptances was lower than in previous years, partly due to a lack of residential accommodation as a greater proportion of applications were coming from further afield. This affected FE as well as HE. The overall

number of acceptances was higher than at the same stage last year. 50 extra funded HE places had been secured from the Modernisation Fund. HE recruitment would need to be monitored carefully to avoid financial penalties. Following discussion, *the report was noted.*

**10/103 Daventry Learning Partnership (agenda item 12)**

**a) Memorandum of Co-operation (paper K)**

The document was outlined and discussed. The Local Authority needed to sign it on behalf of the schools.

**b) Formal Terms of Partnership (paper L)**

The document was outlined and discussed. Risks would not be shared equally and the basis for this was still to be agreed.

**c) Governance and Management Structure (paper M)**

The document was outlined and discussed. Following discussion, *the 3 documents were approved for recommendation to the Board.*

**10/104 Disaster Management Strategy (agenda item 13, paper N)**

Proposed changes were outlined and discussed. Following discussion, *the changes were approved for recommendation to the Board.*

**10/105 Committee Terms of Reference (agenda item 14, paper O)**

Proposed changes were outlined and discussed. Following discussion, *it was agreed that the Chairman of Governors would automatically chair the Committee in future. The changes were then approved for recommendation to the Board.* Meeting dates were also discussed. They would remain on Thursday for the time being.

**10/106 Study Tour Reports (agenda item 15)**

**a) trip to Lincolnshire by Rural Skills students (paper P)**

**b) trip to Scotland by HE Land Management students (paper Q)**

The reports of both tours were discussed *and noted.*

**10/107 Study Tour Request (agenda item 16, paper R)**

A proposal for a trip to Africa in 2011 by students from the Landbased Faculty was discussed. Staff would be carefully briefed before the trip, particularly on dealing with risks. Following discussion, *the trip was approved but no contribution towards the cost was approved.*

**10/108 Date of next meeting (agenda item 17)**

Wednesday 28<sup>th</sup> July 2010 at 8.30am in the Principal's Office. Mr Barney presented his apologies for absence.

**10/109 Any other business (agenda item 19)**

**a) Capital Development Funding**

A grant letter had been received outlining the availability of £30 million to be allocated on a formulaic basis. The College would receive £225,000 under

this scheme provided that its expenditure (maximum of 35% of total project cost) by 1<sup>st</sup> April 2011 could be justified. It was hoped to use this for the Stewart House and Student Welfare Centre refurbishment. It was also possible to bid by 31<sup>st</sup> July to increase this sum to £1 million (again as 35% of total project cost). It was proposed to bid for the development of the Countryside Centre but, if the possible endowment was not forthcoming, further capital would need to be found. The project could cost around £600,000 which would result in £200,000 of capital support. Following discussion, *it was agreed to commit £200,000 to the development if alternative funding was not available.*

**b) Sponsorship**

The potential sponsorship of stonemasonry by the Freemasons was discussed. They would be asked to sponsor a building in a workshop to be used for setting and pointing stone. Following discussion, *this action was approved.*

Part 1 of the meeting concluded.

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