

## Plumpton College

### Minutes of the Finance & General Purposes Committee meeting held on Tuesday 15<sup>th</sup> September 2009

Present:	Mike Atkinson John Evans Julia Hadden Des Lambert Judy Llewellyn-Burke Richard Partridge	- Governor (chairman) - Governor - Governor - Principal / Governor - Governor - Governor
In attendance:	Jenny Brooker Geoff Gregory David Stokes Val Wilkinson	- Clerk to the Corporation - Deputy Principal (Resources) - Deputy Principal (Academic & Quality) - Director of Finance
Apologies:	Jeremy Courtney Bryan Stevens	- Governor - Governor

Meeting commenced: 5.10 pm

Minute Item		Action by whom	Action by when
<b>FGP/09/30</b>	<p><b>Additional Learning Support (ALS) Funding</b></p> <p>Presenting his report on ALS funding, Dr Stokes highlighted the level of ALS funding the College had received over the last five years. The LSC had moved from ALS block funding to funding based on a formula but the LSC could not explain how the formula was applied. The ALS funding was capped in total, irrespective of learner need.</p> <p>ALS funding was in addition to the learner support funding the College received within entitlement funding and basic funding per student. ALS funding could only be claimed for a student if more than £501 additional support was provided to them. This threshold meant that staff had to maintain records of the additional support they provided to each student.</p> <p>Dr Stokes advised that the College had focused on ensuring students were on the most appropriate level course and it was hoped that this work would reduce the level of ALS costs.</p> <p>As the College had grown, the proportion of foundation and level 1 learners to total learners had remained broadly similar. Entry and level 1 learners had the potential to generate similar levels of funding but in practice they tended to generate less funding because the number of qualifications they were able to take was less. This was not always the case however as the College received E2E funding for some entry and level 1 learners.</p> <p>Dr Stokes stated that there was an expectation that the College would accept statements of ALS needs provided by schools for</p>		

	<p>students. However, statements were only relevant at the time they were written and initial assessments were conducted on students when they joined the College in order that additional support requirements could be fully understood.</p> <p>In 2008-09 the ALS spend by the College had been approximately £285k (including an estimated £29k of ALS activity below the £501 threshold) against an ALS income of £234,486. The Chairman recalled the Corporation's earlier conclusion that ALS expenditure must, over time, be brought back into alignment with ALS grant. The Corporation had agreed that students enrolled at the College should be provided with all the ALS they needed to succeed, so the impact of the alignment would fall on recruitment policy. The College could not continue to be all inclusive in its recruitment unless its additional learning support grant was increased.</p> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>(a) Detailed statements of ALS income and expenditure be regularly produced and circulated to Governors in order that the degree of subsidy be fully understood.</li> <li>(b) Next January's Strategic Workshop should consider the time horizon over which ALS income and expenditure should be aligned.</li> <li>(c) The College continue to raise its concerns with the relevant funding bodies that the ALS grant level is insufficient and the £501 ALS funding threshold should be reduced.</li> </ul> <p>[Dr Stokes left the meeting at this point].</p>	<p>VW/DTS</p> <p>VW/DTS</p> <p>DPL\MA</p>	
<b>FGP/09/31</b>	<p><b>Minutes of the meeting held on 30<sup>th</sup> June 2009</b></p> <p>The minutes of the previous meeting were agreed and signed by the Chairman.</p>		
<b>FGP/09/32</b>	<p><b>Matters Arising</b></p> <p>FGP/09/19: The Chairman had met Dr Stokes and had agreed that there was scope for aligning performance indicators in the strategic and operating plans with those in the self assessment report and with external reporting requirements. There was some additional work for Dr Stokes and himself to do on the performance indicators for each of the strategic aims and key operating targets; this was scheduled for the autumn.</p> <p>FGP/09/21: The LSC had verbally advised that residency funding would be increased proportionally with the number of residential students. This had not happened and the LSC had advised that responsibility for residency funding had been transferred to the Dept for Business, Innovation and Skills.</p> <p>The reduction in residency funding had resulted in the College reducing the level of residential grant it provided to students. This was not a financial problem for the College as</p>		

	<p>accommodation was over-subscribed but the long term effect would be a reduction in the attractiveness of the College to those 16-18 students with low incomes who needed to be resident. The LSC had appointed consultants to review student accommodation in Colleges and how the system worked.</p> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>(a) The College continue to lobby for increased residency funding.</li> <li>(b) The Plumpton College Charitable Foundation consider ways to increase the College hardship fund.</li> </ul> <p>FGP/09/24: The Chairman had written to the Chief Executive of the LSC, Geoff Russell and requested assurance that the final capital payment to the College due in April 2010 would be paid in full and on time. The Chairman had received verbal assurance from David Hughes (LSC) that grant payments would be on time but would be seeking this in writing.</p> <p><b>Agreed:</b></p> <p>The letter from Mr Atkinson to Mr Russell seeking assurance on the date of the final capital payment to the College be circulated to members of the committee.</p>	<p>DPL/MA</p> <p>DPL/FM</p> <p>Clerk</p>	<p>18.09.09</p>
<p><b>FGP/09/33</b></p>	<p><b>Finance Report to 31 July 2009</b></p> <p>Ms Wilkinson stated that the financial statements auditor had advised that abortive costs for phase three could be written off in the income and expenditure account. The West Wing and workshop costs were being currently being reviewed. The Principal noted that the costs of the Workshop were likely to be at least £200k above budget because of additional structural work required on the forge area, and this would require supplementary authorisation once the extra cost had been defined. SMT were also looking to ensure the revenue costs of the project were correctly accounted for: the current forecast operating surplus was accordingly likely to change perhaps substantially before the year-end accounts were finalised.</p> <p>The value of debtors in the balance sheet was exceptionally high as forecast as the figure included capital grant payments due from the LSC.</p> <p>The closure of Dairy Farmers of Britain had impacted on milk sales and farm income but a new contract was now in place and milk sales had returned to full price.</p> <p>Looking to 2009/10 Ms Wilkinson noted the risk that the College would not receive the full residential grant it had budgeted for. But this was more than offset by the lower vacancy rate now expected as a result of offering the accommodation to other students able to pay and holiday lettings.</p>		

<b>FGP/09/34</b>	<p><b>2009 Pay Offer</b></p> <p>Mr Lambert reported that the pay award to most staff for 2009-10 was 1.75% awarded from 1 August 2009. A quarter of staff were on an incremental pay scale and would therefore receive an additional increase.</p>		
<b>FGP/09/35</b>	<p><b>Academic Margins</b></p> <p>The Committee was provided with a report detailing student numbers and income by department from 2004-05 to 2008-09 and details of the financial contribution per department to total College income for 2008-09.</p> <p>The figures demonstrated that all curriculum areas of provision were making at least a satisfactory contribution towards the College's overheads. There was a close correlation between student numbers in each department and that department's contribution to College income, and it was agreed that consideration could therefore be given to reporting just student numbers to the committee next year, with perhaps a fuller financial analysis in 2011/12.</p> <p>In the meantime the Corporation should focus on the relative contribution of different age brackets, which was a key consideration in prioritising strategic growth. The Committee noted that this was complicated. For example although it appeared that HE offered relatively high margins, the HEFCE grant income included an allowance for capital renewal whereas FE operating grants did not.</p> <p><b>Agreed:</b> A note should be put to the next strategic workshop on the margins associated with the various streams of 19+ and WBL provision.</p> <p>[John Evans left the meeting at this point]</p>	MA/DPL/ VW	26.01.09
<b>FGP/09/36</b>	<p><b>Farm Self Assessment Report</b></p> <p>The report was noted. It was agreed that the SAR should be amended to incorporate the specific Key Operating Targets on growth, yield etc agreed in the Strategic Plan. Given the new importance attached to non-academic performance, more regular monitoring information should be presented to Governors. The Farm Advisory Committee should continue to provide ad hoc technical advice to management, but a separate working group reporting to F&amp;GP was required to consider wider business strategy. This task could be embedded within the buildings sub committee which would anyway be closely considering the proposed investment in the farm.</p> <p><b>Agreed to Recommend:</b> The Buildings Sub Committee be re-named the Buildings and</p>		

	Farm Working Group and its terms of reference be extended to include oversight of the farm and winery businesses.	MA/Clerk	
<b>FGP/09/37</b>	<p><b>Building Projects Sub Committee Meetings</b></p> <p>The Chairman briefed the Committee on the deliberations of the sub-committee at its meeting earlier that day and the minutes of the meeting held on 30<sup>th</sup> June 2009 were noted.</p> <p>The sub-committee had reviewed the planning for the smaller-scale projects the Corporation had agreed should replace the rejected Phase 3 programme. Business plans for both Green Oak and the farm were scheduled to be considered by the sub-committee at its next meeting. The units at Flimwell were nearly completed. The sub-Committee was examining the scope for further strategic investment in the East of the County</p>		
<b>FGP/09/38</b>	<p><b>Traffic Movements – Ivyland and Green Oak</b></p> <p>Consideration had been given to the safety of traffic movements into and out of Ivyland and Green Oak campuses.</p> <p>With regard to Ivyland, the College maintained the hedge of a neighbouring property but little else apart perhaps from a mirror could be done to improve the visibility of the exit.</p> <p>Both Ivyland and Green Oak campuses were on minor roads with low volumes of traffic. There had been no accidents at the junctions of either campus. The importance of maintaining appropriate safety markings on the road leaving both sites was discussed.</p> <p><b>Agreed:</b> A health and safety report including full safety statistics be brought to the next meeting of the committee.</p>	GJG	
<b>FGP/09/39</b>	<p><b>Review of Committee Effectiveness</b></p> <p>Despite the establishment of an environmental advisory group and the further development of self assessment reports, the volume of business the committee was asked to give consideration to remained high.</p> <p>There was still some way to go in incorporating into non-academic SARs the financial and business information F&amp;GP would require, and this would be a process of continuous improvement over two or three years. Consideration was given to other ways to reduce the volume of business brought to the committee. It was identified that the buildings sub committee's terms of reference being extended to include the farm and winery would ease some pressures.</p> <p>The growth in residential, catering work and student services work as a whole would need to be monitored closely and forward plans developed. A working group could be developed</p>		

	<p>for this and Mr Stanier had expressed an interest in chairing such a group.</p> <p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>(a) A Residential Working Group be established and chaired by Mr Stan Stanier.</li> <li>(b) Annual strategy papers on particular areas put to F&amp;GP should review not only past performance but also update the forward prospects and risks.</li> <li>(c) The Chairman and Ms Wilkinson to meet in January 2010 to discuss the format of quarterly finance reports including the further development of the presentation of commercial income and non-academic activity results.</li> </ul> <p><b>Agreed to Recommend:</b></p> <p>That the following changes be made to the Committee's terms of reference:</p> <p>3.1 alter from 6 other governors to 4 other governors including a member from each of the following working groups: Buildings and Farm, Environmental and Residential.</p> <p>6.4 alter to 'The committee may delegate decisions within its own authority to the Buildings and Farm Working Group, Environmental Advisory Working Group and the Residential Working Group. This includes financing decisions in respect of development or maintenance of the College's estate to the Buildings and Farm Working Group.</p> <p>7.1(g) bullet point 3 alter to 'promotion of equal opportunity and diversity policies'.</p>	SS/Clerk	01.12.09
		MA/VW	31.01.09
		Clerk	
<b>FGP/09/40</b>	<p><b>Any Other Business</b></p> <p>The Principal reassured Governors that the College was doing everything possible to minimise the risk of an outbreak of E-Coli or Swine Flu, including ensuring good hygiene practices.</p>		
<b>FGP/09/41</b>	<p><b>Date of Next Meeting</b></p> <p>The next meeting would be held on Tuesday 17<sup>th</sup> November 2009 at 5.00pm. The agenda should include papers on the forward training programme, safety performance and prospects, procurement policy and targets, and a report from the Environment Working Group, together with the draft annual report and accounts. There being no further business the meeting ended at 7.15pm.</p>		

JKB 16/9/09

Signed..... (chairman) Dated.....