

STAFFORD COLLEGE CORPORATION

**MINUTES of
RESOURCES COMMITTEE, 23 MARCH 2011**

Present: G Humby (Chair), S Birkin (arrived late), P Buttery, A P Davison, I Starkie,
Mrs J K Tanner, S Willis

In attendance: J P Charleton (Clerk), Mr A Branch (Barclays Corporate), Ms A Piercy,
Ms A Preece (Barclays Corporate), C Riding, I Rigby

Apologies: Lt Col S Nesmith, Cllr M Winnington

PART I

817.0 DECLARATION OF INTERESTS

The Chair reminded members of their duty to declare an interest, financial or otherwise, in any item on the Agenda.

The Chair declared that he was an employee of Sterling Power Ltd.

At this point the Chair agreed that Agenda item 15 'Capital Project – Bank Loan Facility' be taken as the next item of business. Due to its confidential nature this item was considered under Part II of the Agenda.

818.0 MEETING HELD ON 24 NOVEMBER 2010

(a) Minutes

It was RESOLVED:

that the minutes be confirmed as a true record and signed by the Chair.

(b) Matters Arising

There were no matters arising.

819.0 TUITION AND EXAMINATION FEE POLICY: 2011/12

The Vice Principal (Resources) presented the draft Tuition and Examination Fee Policy for 2011/12, which had been updated to reflect the funding approach of the SFA and YPLA.

The fee assumption for adult learner responsive provision remained at 50%, while in line with government policy only students on 'active' work-related state benefits would qualify for fee remission in 2011/12.

It was RESOLVED:

that the draft Tuition and Examination Fee Policy for 2011/12 be approved in accordance with authority delegated by the Corporation.

820.0 FINANCIAL REGULATIONS AND CONTRACT STANDING ORDERS

The Vice Principal (Resources) presented the College's revised Financial Regulations and Standing Orders Relating to Contracts for approval.

The financial regulation in relation to off-site collaborative provision contracts had been amended to require that these contracts are signed by a member of the Principalship rather than by an SMT member. An additional regulation had also been added in relation to tendering to cover the use of e-auctions for procurement of goods and services.

Standing Orders Relating to Contracts concerning acceptance of tenders had been amended to ensure that in future, unsuccessful tenderers would receive written rather than verbal feedback on their performance in the tender process.

Following review by the Finance Team and SMT no changes were proposed to the Fraud, Corruption and Irregularities Policy, the Public Interest Disclosure Procedure, or to the Policy/ Procedure for the Prevention of Money Laundering.

An additional amendment to the Financial Regulations was suggested and agreed to enable an increase in the pool of vehicles for use by College staff to be approved by College Management rather than the Corporation.

It was RESOLVED that the following be approved:

- **revised draft Financial Regulations and Standing Orders Relating to Contracts**
- **Fraud, Corruption and Irregularities Policy**
- **Public Interest Disclosure Procedure**
- **Policy and Procedure for the Prevention of Money Laundering**

821.0 THREE-YEAR FINANCIAL FORECAST

The Vice Principal (Resources) presented updated three-year financial forecasts and sensitivity analyses based on the latest information available to the College in relation to national public sector funding changes and in comparison to previous forecasts as presented in July 2010.

Key assumptions in the revised forecasts included levels of SFA/YPLA income, the rate of inflation, efficiency savings and loan finance costs. While the operating surplus, cash/bank balances and financial health show some deterioration from the base July 2010 forecast they remain broadly in line with the July 2010 Sensitivity Analyses which incorporated funding cuts.

The updated forecasts would be presented to the Corporation following confirmation of funding and further financial modelling.

It was RESOLVED:

that the report be received.

822.0 CAPITAL PROJECT

Mr C Riding, Director of MIS and Capital Development, provided an update on progress with the Capital Project and highlighted the following developments:

- The Plumbing curriculum area had been decanted to Unit 1 at Palmbourne with planning approval received for the extension to Unit 5 to house the Brick provision.
- Following a tender process three specialist demolition contractors had been interviewed by College Management and the Project Design Team. On confirmation of appointment, the Specialist Demolition Contractor would commence site set up and hoarding during the Easter vacation, with demolition and site clearance planned to take place between 10 to 12 weeks from Easter onwards.
- Tenders for the main Contractor appointment would be submitted to the Corporation on 7 April with details of an outline budget figure.

It was RESOLVED that it be recommended to the Corporation that subject to the Contractor tender prices received being within the approved budget:

- (a) final approval be given for the Capital Project and for the commencement of demolition of the Workshop & Link Blocks and the Skills Centre;**
- (b) selection of the main Contractor be delegated to the Accommodation Strategy Working Group, advised by College Management and the Project Design Team.**

823.0 MANAGEMENT ACCOUNTS: FEBRUARY 2011

The Vice Principal (Resources) presented the Management Accounts for February 2011 which confirmed a forecast operating position of £433K slightly ahead of the budget target surplus.

Current month variations to forecast included additional expenditure to reflect the cost of leasing the Palmbourne Technology Centre.

It was RESOLVED:

that the Management Accounts for February 2011 be received.

Mr S Birkin joined the meeting during discussion on the following item of business.

824.0 FUNDING UPDATE

The Principal gave an oral report on the College's provisional funding allocation for 2011/12 from the SFA and YPLA. While national funding rates per 16-18 learner had been reduced, transitional protection had been established to recue the impact on college budgets.

Increased funding had been allocated for Apprenticeship places especially for adult learners with the College expecting to meet its indicative targets following new contracts with partners. While less funding overall will be available for adult learning the SFA expect colleges to prioritise supporting people n coming off benefits and into employment.

With final allocations available in early April an updated funding report will be presented to the Corporation at its meeting on 7 April.

It was RESOLVED:

that the report be received.

825.0 BUDGET TIMETABLE

The Vice Principal (Resources) presented a report on the timetable for the preparation of the College budget for 2011/12 in line with the approach taken in previous years.

It was RESOLVED:

that the report be received.

826.0 TREASURY MANAGEMENT

The Vice Principal (Resources) presented an update on treasury management activities, noting that following a major review by SMT and the Finance team in July 2009, no amendment to the current Treasury Management Policy was recommended.

College Management continued to closely monitor interest rates and deposit terms secured for the College's cash deposits.

It was RESOLVED:

(a) that the report be received;

(b) that it be recommended to the Corporation that the current Treasury Management Policy remain unchanged.

827.0 DATE AND TIME OF NEXT MEETING

Wednesday 29 June 2011 at 5.30 pm.

828.0 PART II ITEMS

Under Part II of the agenda members considered the following items of business:

- Minutes of Meeting held on 24 November 2010
- Capital Project Bank Loan Facility
- Demolition Contractor Appointment
- Staffing Issue