

Minutes of the Finance & Estates Committee meeting held in the Board Room at the Derby Road site on Thursday 3 March 2011 at 4.00 pm

BOARD MEMBERS PRESENT: Howard Baggaley
Brian Stopford (Acting Chair)
Asha Khemka
Chris Winterton
Philip Lancashire
Kate Allsop (until 5.10 pm)

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
Andrew Martin, Director of Finance and Deputy Principal
Tom Stevens, Executive Director Capital Projects and Estates
David Overton (from 5.00 – 5.30 pm)

		ACTION by whom	DATE by when
11.06	<u>APPOINTMENT OF THE COMMITTEE CHAIR</u> In the absence of Terry Dean, it was agreed that Brian Stopford would act as Chair for the meeting.		
11.07	<u>DECLARATION OF INTEREST IN ANY ITEM ON THE AGENDA</u> The Acting Chair reminded those present to declare at the start of the meeting any interests held in any matter to be considered. The standing declarations of interest were noted.		
11.08	<u>WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE</u> Apologies were received from Terry Dean. The Clerk indicated that she had not received apologies from David Overton, she therefore assumed he was running late and that he would join the meeting as soon as he was able.		
11.09	<u>MINUTES OF THE MEETING HELD ON 18 NOVEMBER 2010</u> AGREED: that the minutes of the meeting held on 18 November 2011 be confirmed as a correct record and be signed by the Acting Chair.	Acting Chair	3 March 2011

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11.10 ACTIONS OUTSTANDING AND MATTERS ARISING FROM THE MEETING HELD ON 18 NOVEMBER 2010

No matters arising were discussed. The Action Progress Schedule was noted.

11.11 STRUCTURAL INSPECTION INVESTIGATIONS - DERBY ROAD, CHESTERFIELD ROAD & ASHFIELD COLLEGE

The Executive Director: Capital Projects & Estates introduced this item and drew Members attention to the following:

- Structural surveys were requested by the Corporation Board following the partial collapse of the internal ceiling in the six-storey tower at Derby Road on 10 September 2010.
- Positive outcomes from the intrusive survey of the tower, including chemical tests were reported to the Finance and Estates Committee and Corporation Board in November 2010. Since this time, the Management Team have reviewed replacement of external cladding feasibility and cost effectiveness.
- All of the buildings surveyed on the Derby Road site are in a generally good condition. A number of minor repairs are to be included in the College maintenance plan.
- Necessary repairs/replacement to the roof to the three storey block is required to prevent its instability and further damage at an estimated cost of £175k.
- With the exception of minor settlement at the entrance to the workshop boiler room at Chesterfield Road, all other buildings on the site appear structurally to be in a good and stable condition. A number of minor repairs are to be included in the College maintenance plan.
- Ashfield College is in very good condition for a building constructed in 1918. There are a number of areas that require attention to avoid any structural damage in the future and these are to be included within the College maintenance plan.

He confirmed in summary that, all buildings surveyed at Derby Road, Chesterfield Road and Ashfield College showed no obvious signs of instability and have all been found to be structurally stable for day to day educational use. Members discussed the repairs/replacement of the roof to the three storey block at a cost of £175k, and were advised that payment of this amount will be achieved through advancement of the current 2010/11 maintenance programme. This is a similar position to the minor subsidence repairs required outside the boiler room at Chesterfield Road.

Members took comfort from the positive overall survey results. It was accepted that the survey undertaken was a visual one and

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therefore there could be problems, but that they were not evident upon reasonable inspection.

AGREED to:

- i. note the content of the report,
- ii. approve the recommendations to include all minor remedial work in College maintenance plans for Derby Road, Chesterfield Road and Ashfield College,
- iii. to obtain cost estimates for the replacement of the roof for the three storey block at Derby Road as part of the College maintenance plan.

11.12 PHASE 1 DEVELOPMENT AND UPDATE

The Executive Director: Capital Projects & Estates introduced this item and confirmed the following:

- The College has seen successful completion of all enabling work (support staff moved to Ransom Hall, conversion of administrative space to classrooms and refurbishment of Trades Building). All facilities were in operation on 5 January 2011 and were completed within budget.
- The appointment of the building contractor for the Creative Arts workshop refurbishment has been confirmed.
- Programme of work shows completion on 18 July, with access by the College for fit out from 6 July 2011.
- Theatre and lighting consultants, BREEAM consultants and lawyers have been appointed, all are specialists within their field.
- Replacement gas pipe is required at an estimated cost of £80k, this is presently out to tender to specialist contractors, with an estimated three weeks mobilisation and four to five weeks work on appointment of contractor. Members were advised that the cost of this work will fall within the 2010/11 accounts.
- Water burst in Number 19 on 9 December - the restaurant reopened for business on Friday 10 December. Temporary arrangements made for business continuity. Ceilings, paintwork and furniture required replacement. The insurers are in dialogue with the College regarding losses estimated to be around £40k. It is believed that all losses are to be covered at this time. Number 19 was back in operation from 5 January 2011. It is planned that remedial work will be undertaken at times to ensure that teaching and learning is not affected. Members` attention was drawn to page 24 and the committed expenditure which currently runs at £622,520 as against an approved budget of £700k.

In terms of the phase 1 development, members were advised that the contract to refurbish the Creative Arts workshop started

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on time and is currently running to schedule. Members` attention was drawn to page 23 and the DDA proposals put forward. The Executive Director: Capital Projects & Estates explained that when reviewing DDA access, and in particular wheelchair access, the intention had been to carry out DDA developments as a second phase, but that upon site examination, the College had been advised that to upgrade to meet DDA legislation would cost circa £20k. It was explained that, rather than wait to do the work as part of phase 2, and given the fairly limited expenditure, it had been agreed to undertake full DDA access from the three storey block to the workshop at this time. Members were advised that the £20k cost would fall within the project contingency, and that as a result, the College is not seeking any budget variation from the Board.

Members were advised that, following further investigation, DDA access could also be provided to the Technical Studio at a cost of circa £10k. Previously, it had been thought not possible due to ceiling height restrictions. Members were advised that the £10k cost would fall within the project contingency and, as a result, the College is not seeking any budget variation.

In terms of the water burst at Number 19, members were advised that at, this stage, it is expected that all losses will be covered by insurance and that the only potential risk area is the sum of £2k which relates to the failed component in the boiler which led to the water burst in the first place.

In terms of the Ransom Hall move, members were advised that this was undertaken smoothly and at less than the budget expected. Members discussed the IT concerns raised before the move and were advised that IT connectivity is, in fact, better at Ransom Hall than at College.

Members reviewed the costs associated with the replacement gas pipe work and were advised that the pipes were of such an age that they could not be repaired and that the £80k had been included within the 2010/11 budget and is evident/provided for within the mid year review/re-forecast.

AGREED to:

- i. note the content of the report,
- ii. approve the provision of full DDA access from the three storey block to the workshop estimated at around £20k,
- iii. approve the provision of DDA access to the performance theatre control room, estimated at around £10k, (both costs to be allocated to the contingency sum previously approved as part of the phase 1 property strategy).

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11.13 PHASE TWO DEVELOPMENT

The Executive Director: Capital Projects & Estates introduced this item and reminded members that development of the College`s site had been agreed as part of a phased approach to manage the financial impact of the proposed development. He confirmed that phase 1 was well underway and that the Committee and the Board needed now to discuss and decide the subsequent phasing and work to be undertaken. When moving to phase 2, he explained that certain discussions had taken place with the local authority and that, as a consequence of this and a review of finances, certain proposals were made regarding the phasing of additional works required. He brought the following to members` attention:

- The College has submitted a pre-outline application with regard to parking, new build and potential highway works which were discussed with Mansfield District Planning and Nottinghamshire County Highways who responded positively to the development and gave an indication that there would be little or no highway works needed.
- The preference is for additional surface car parking, which will increase car parking by 60 from 440 to 500.
- The local authority has no objection to a phasing of development which will enable the planning application for parking and sports hall to be submitted prior to the application for new build.
- Planners would prefer to see a landmark building along Nottingham Road.
- Campus wide design guides have been prepared to present a more holistic and strategic approach to the design which will ultimately lead to a unified and coherent campus. The intention of the guide is to support design aspirations for a new build and establish key principles for the site as a whole.
- The project plan identifies four separate elements of work, 1) Sports Hall & Parking, 2) New Build & Internal Closed Courtyard, 3) re-cladding of six storey tower and surrounding buildings, and 4) conversion of three storey block for Visual Arts.
- The programme of work includes car parking by November 2011, Sports Hall by May 2012, new build by December 2012, recladding of tower and surrounding buildings by April 2013 and conversion of three storey block for Visual Arts by July 2013.
- Procurement options have been reviewed and the proposals for the new build will be subject to OJEU tendering. The sports hall, car park and initial design work to RIBA stage C can be procured using WNC financial regulations.

Members` attention was drawn to the detail of the written report and they were advised that the main purpose of the pre-

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application report and discussion with MDC and NCC were to gain some reassurance regarding the two main issues prior to embarking on further design development, and these are that:

- a) the principle of development is acceptable to the planning authority and broadly falls within planning policy, and
- b) there will be limited highways or section 106 costs associated with the development.

In terms of highways issues, NCC have advised that the proposal presented does not give any concerns in respect of highways matters, and commented that existing access and egress points should be more intensively used. With regards to the proposed sports hall facilities, NCC commented that this may generate extra traffic, but that this will be spread over a longer period than present and in particular, outside the existing peak periods. With regards to initial planning comments MDC asked that attention is given to a number of matters, these are:

- a) design to take account of existing residential amenity of nearby properties,
- b) the design is on a key route into the town and a landmark building will be encouraged,
- c) need to retain trees to the frontage of the site which are covered by a tree preservation order,
- d) additional planting both within and to the perimeter of the site where development and car parking is proposed to reduce the visual impact of such, and
- e) there will be no objection to a phased development, although a clear indication of the phasing would help with the processing of an application.

Members` attention was drawn to page 45 and the plan, which clearly sets out the work to be undertaken in each phase. Members discussed car parking in detail and cross referenced paragraphs 4.3 and 4.6. Members considered page 46 and the visual representation of the current proposals, which from a planner`s perspective, they believe are positive redesigns.

Members reviewed the campus wide design guide that starts at page 32 and acknowledged that a key focal point for the College will be its tower. In terms of design themes, it is accepted that the external elevation of the buildings will have a `harder` feel, with internal being `softer` and more colourful, but that throughout there will be a unified design. The Committee was advised that at the Board meeting on 10 March 2011, all Governors will see a 3D image of the design currently being developed.

Members` attention was drawn to the project plan at paragraph 7 and the suggestion that the programme be split into the four parts described. Directly linked to these is the programme and budgets detailed at paragraph 18 and the estimated expenditure

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required and the timescales for commitment of that expenditure. The Executive Director: Capital Projects & Estates then went on to discuss the procurement options in paragraph 14. It was acknowledged by the Committee that these options had been discussed in the past, and that option one is what was intended when the College had hoped to develop the Rushley Farm site, but that with greater flexibility of phasing there is the desire to undertake as much procurement under option two, ie, procure independently by competitive tendering, as possible. It was accepted that option two would create more of an administrative burden and that administrative support for the Executive Director: Capital Projects & Estates would be required.

Members reviewed the procurement of design team and architect options at paragraph 15 and noted the suggestion that the College procure the car park and sports hall itself to enable rapid progress. It was accepted that this was a sensible way forward as the value of these contracts would fall under the EU limits. It was agreed that for construction over the EU limits, the College would have to go out to formal framework tender.

In terms of progression, it was suggested that the contract for the new build and re-cladding at Derby Road be advertised as a single contract tender, and then when the tenders are received, the College could decide what could be done and at what stage depending on affordability. All Governors accepted the need to build in phasing so that affordability could be assessed and reassessed at each step in the development programme. Works relating to the three storey block would be tendered at a later date. When reviewing the designs, members were particularly supportive of the suggestion to provide an enclosed courtyard area, which would address the need for additional social space for students.

The Finance Director then went on to discuss the financial arrangements in detail and confirmed the following:

- The College will need to establish the source of the finance required and this will need to be in place by July 2011.
- In relation to draw down of the finance put in place, the phasing allows decision making points, and at each point the affordability of continued development would be based upon the climate and the environment.
- Whilst there would be a financial challenge regarding the management of finance and repayments in the three year period, the Executive Team are confident that this is a project that is affordable.
- The Board and the bank could not and should not commit to a £24million financial commitment in one go, this is why the plan includes built in decision points.

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- The College will go out to tender regarding the banking facilities. Initial letters have been sent out to three banks providing College information and requesting clarification of the bank`s position. The intention is to get the bank`s view on initial affordability.
- Before any of the project phases can be commenced, there is a need to have both the bank and the SFA on board with the College`s plans.

Members discussed the detail of the finance and the Director of Finance confirmed that the most critical decision for the Board will be the expenditure required to complete the new build element of the project, as this is the most significant portion of monies required. He confirmed that, prior to giving the 'go ahead' regarding this element of the development, the Board and the College would need to make sure that the finances and performance up to that point are sound, and in line with the assumptions made regarding financial projections and budgeting.

Members reviewed the timing of the decisions required and acknowledged that, as with any development, some decisions are required quite quickly and come close together. The Director of Finance gave his opinion that the worse case scenario is that the College is forced to make concessions regarding the timetable proposed. He expressed the belief that this was an acceptable and manageable risk as it was simply inadvisable for the College to commit to a £24million project with no break points.

One member of the Committee indicated that to better understand the phasing and financial decisions required. He would like to see detail showing how the project timetable fits in with the College`s financial position, decisions and known positions regarding funding.

Having looked at the timescale, the Director of Finance explained that it was likely that the Board would have to make decisions regarding the new build element of the project in November 2011, it was acknowledged that, at this point, the College is unlikely to know the full impact of the HE funding changes, this being said, he confirmed that affordability of the project had been based upon prudent assumptions, and whilst the Board will be asked to make commitment before several certainties are known, there is a belief that the assumptions which are cautious and prudent should support affordability and the financial models put forward.

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In terms of the way forward, members agreed that there needs to be a focus on how much risk planning is required and that there needs to be very comprehensive risk assessments undertaken regarding the financial assumptions made which underpin and support the forecasts and affordability assessments.

Members discussed the commercial banking market and acknowledged that it is very different now from when bank facilities were sought for the Rushley Farm project. It was acknowledged that any bank is likely to require refinance clauses every five years and that there is a risk associated with this, but in real terms there is nothing that the College can do to avoid this. It was accepted that, within the current market, the College was unlikely to obtain a 25 year loan without any refinance clause included.

Members all agreed that, whilst any development project carried a certain element of risk, this had to be balanced against the risk of doing nothing. It was agreed that within the competitive education market and the fact that all colleges, universities and other providers will be seeking to charge more fees, that there needs to be facilities available to justify seeking this payment. The Committee all agreed that, on balance, the risks associated with the development project could be managed, and to do nothing would inevitably lead to the deterioration of provision offered at College.

(David Overton joined the meeting at 5.00 pm).

Having reviewed the proposals in detail, the Committee was happy to accept the recommendations made and agreed to recommend to the Board, phase 2 of the property strategy including:

- a) Redevelopment of the Derby Road Campus at a budgetary cost of £24million including professional fees and applicable VAT. The redevelopment to include a new landmark building circa 425 square metres with enclosed courtyard, a new 1,150 square metres sports hall, re-cladding a six storey tower block and surrounding buildings, conversion of first and second floor of the three storey block.
- b) A campus wide design and set of key principles to support the design aspirations for a new build programme, refurbishment of existing buildings and Derby Road campus as a whole.
- c) A programme of work that (subject to planning approval) delivers a new building and sports hall by December 2012.

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- d) To enable the programme of work to be achieved, it is recommended that:
- i. the existing design team and architect contracted to the College for work related to phase 1 of the property strategy are appointed via a single action tender authorisation for the design, development of the sports hall and car park at a budgetary cost of £108k plus vat,
 - ii. the existing design team and architect are appointed to commence design to RIBA stage C for the new build and planning at a budgetary cost of £133k plus VAT,
 - iii. the detailed design development for the new build, post RIBA stage C is competitively tendered via the OGC framework contract to comply with OJEU legislation,
 - iv. a topological below ground site investigation, below ground drainage, acoustic service, travel plan and Envirocheck are commissioned by competitive tender at a budgetary cost of £31.5k plus vat.

(Kate Allsop left the meeting at 5.10 pm).

11.14 **PROPERTY STRATEGY AFFORDABILITY REPORT**

The Finance Director introduced this item and drew members` attention to the following:

- WNC does not have a history of borrowing to finance investment in its facilities. The current estate has either been developed off the back of public grants as they have become available or through cash reserves.
- The previous scheme to deliver a whole new campus opposite the Derby Road site was ambitious and involved a significant contribution from the public through capital grants.
- Since this time, the College`s finance has improved, but the public grant climate remains as it has been for the past two years and, as a result, the College must approach any capital development programme with a view to financing from its own reserves, commercial borrowing and disposal proceeds.
- Any commercial borrowing above £1.5million must have the approval of the Skills Funding Agency under the terms of the financial memorandum. Indeed property transactions, whether involving borrowing or not, above this level must seek and secure such approvals.
- As a result of the need to secure consent and approval, the SFA will reference the broad guidance on which they are likely to base their own judgements of affordability. Broadly speaking these criteria are; a) recovery to a financial health position of at least satisfactory within three years of practical

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<p>completion of the project, b) borrowing to be a maximum of 40% of total relevant income, and c) interest cover to measures through debt charges as a percentage of income, to be no more than 5%.</p> <ul style="list-style-type: none"> • Further criteria for affordability are likely to be imposed through bankers, which will consider such aspects as cash generation, to service the debt, interest cover and historic surplus deficit position, with or without FRS17 charges. Members were advised that the College had shared its forecast with a number of banks and it is hoped that feedback on the Banks position could be given to the Board on 10 March 2011. • Fundamentally, the College Board must assess its own confidence in affordability, even if its other key stakeholders and financial backers are content from their own perspective with affordability indicators. • From the College view point therefore, it hinges around the ability to generate sufficient cash flows from operations to enable the debt, both capital and interest to be serviced comfortably across the planning period. • If this can be demonstrated within the financial forecast, the College and its Board must be content with the assumptions made on cost and revenues across a time period which presents fundamental changes in public spending against a back drop of economic uncertainty. • To this extent, risk and sensitivity become important considerations as forecasts have a habit of being broadly inaccurate and an under estimation in costs or an over estimation in income streams can have the affect of causing a debilitating impact on the College`s operations. <p>Members all acknowledged the risks associated with commercial borrowing, and the need to be entirely comfortable that the key assumptions made and referred to in paragraph 23 were accurate. To assist the Board in its deliberations, the Committee requested that a timetable be provided which would overlay the project timetable and would detail the points at which the College would have more certainty regarding funding and the accuracy of its assumptions. They requested that a risk grid be provided which would overlay the assumptions and the College's likely response to the risks. It was agreed that the Finance Director would produce this.</p> <p>Members reviewed the core assumptions in great detail and the key elements needed to ensure affordability. It was confirmed that these key assumptions would be shared with the Board on the 10 March 2011.</p>	Financial Director	10 March 2011
<p>Members all acknowledged the risks associated with commercial borrowing, and the need to be entirely comfortable that the key assumptions made and referred to in paragraph 23 were accurate. To assist the Board in its deliberations, the Committee requested that a timetable be provided which would overlay the project timetable and would detail the points at which the College would have more certainty regarding funding and the accuracy of its assumptions. They requested that a risk grid be provided which would overlay the assumptions and the College's likely response to the risks. It was agreed that the Finance Director would produce this.</p>	Financial Director	5 May 2011
<p>Members reviewed the core assumptions in great detail and the key elements needed to ensure affordability. It was confirmed that these key assumptions would be shared with the Board on the 10 March 2011.</p>	Financial Director	10 March 2011

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In terms of disposals of the current estate, Members questioned why the initial suggestion was to only sell part of Chesterfield Road, they requested that a view be taken as whether to sell in its entirety, or look at ways of using it in a different way.

Members' attention was drawn to paragraph 24 and the impact of meeting the core assumptions. The key outcomes were noted.

AGREED: to note the College position on affordability and the context of delivery, the scheme proposed and in particular the nature of the assumptions applied to the development of the financial forecast and affordability assessment.

11.15 FINANCE REPORT JANUARY 2011

(David Overton left the meeting at 5.30 pm).

The Finance Director introduced this item and drew members' attention to the following:

- The financial year has now reached the mid point and the performance reported in January reflects a comparison with the mid year forecasts with the budget still reflected for information.
- The improvements in the overall group financial performance in December continued into January, with group income for the first half of the year reaching £22.3million, which as would be expected, is in line with the mid year reforecast position.
- The acceleration of income generation from employer responsive programmes continues into January 2011, with a total of £1.5million achieved in the period, contributing to £6.9 million recorded for the year to date, with a target of £15.6million. Whilst the straight line profile of performance in the first half year is still below full year projections, the continuation of the performance reported in the past two months will achieve the full year target (the College is expecting £1.5million each month).
- Group operating profits for the first half-year of £1.185million are slightly ahead of forecast and well on the way to achieve the full year out turn of £1.477million. However, a provision has been included at the year end of £390k to implement changes necessary to deliver the College programme into 2011/12.
- At College level, an operating profit of £754k is £103k ahead of forecast, caused by a short fall in partner provision costs, allied to a shortfall of income in the 16-18 apprenticeship forecast. This is subsequently offset by income generated ahead of target for tuition fees, full cost activity and adult apprenticeships.

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- College pay costs are in line with forecast at the half way point in the year and £12million represents 48% of the full year net forecast expenditure cost. A small overspend in sessional expenditure is reported in the period offset by continuing vacancy under spend in the categories.
- Subsidiary companies trading performances is reported close to, or ahead of forecast for each entity as a result of the mid year review programme. Skilldrive has generated operating profits of £404k in the first half of the year, reflecting well on the full year revised target of £711k, up from the budgeted position of £582k.
- Safety Plus performance in the month has been much stronger than of late, helped by the increased employer responsive volumes and a write back from doubtful debt provision in the month. Operating profits of £52k have been achieved in the first half of the year, although there remains a pressing objective to engage the first group of apprentices if the company is to have a sustainable future in its current form. It is noted that expected profit for the year is £182k.
- Vision Apprentices is in line with anticipated performance for the half-year.
- Until the first blocks of expenditure are incurred on the Creative Arts build phase the balance sheet maintains its short term solvency strength, with net current assets of £1.8million, and cash balances of £7.3million. The twin aspects of capital expenditure and a slowing funding agency profile will now see the cash levels and short term solvency deteriorate for the remainder of the year, but will still support the completion of the first phase of the build programme without the need to borrow either through short term or medium term methods. It was noted that payments out will accelerate when invoices for construction work and equipment start to be received.

AGREED: to note the Finance Report to January 2011.

11.16 COLLEGE MID YEAR FINANCIAL FORECAST 2010/11

The Director of Finance introduced this item and reminded members that this is a reforecasting exercise that is done in January every year and then presented to the Board in March.

Members` attention was drawn to the detail on page 62 which sets out the summary of the revised forecast. The Director of Finance confirmed that the detail would also be presented to the Board at the mid year review meeting. Members reviewed the table set out on page 63 and the summary of budgeted, actual and reforecast position. In terms of costs associated with subsidiary companies, on questioning, the Finance Director confirmed that he believed a fair share of costs had been allocated between the College and the subsidiary companies and

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that there was no hidden support costs. Members noted the operating profit position of the College running at 1.3%, and whilst below that they would wish to achieve, it is better than the sector average which is less than 1%.

The Finance Director took the Committee through the real influences underlying the variances in forecast and in particular it was noted:

- Pay costs page 65, paragraph 20 and
- Maintenance costs, paragraph 26 - these were unforeseen costs.

All in all, members agreed that it was a relatively positive picture that had been presented at the mid year point. The Director of Finance confirmed that even within the reforecast figures, he had still taken a relatively prudent review.

AGREED: to note the College mid year financial forecast 2010/11.

11.17 EMPLOYER RESPONSIVE AND 16-18 WORK BASED LEARNING UPDATE 2010/11

The Director of Finance introduced this item and updated members on targets, progress and achievement. In particular, attention was drawn to page 74, paragraph 9 and the actual versus planned position. In terms of the Work Based Learning programme, members noted that there were a lot of new partners and were advised that this reflects the pace of growth that the College is hoping to achieve in this area.

Members` attention was drawn to the minor partner variations seen on page 78 which were clearly highlighted in yellow.

The Finance Director also introduced a new initiative, which is the Joint Investment Programme. He explained that the JIP for strategic skills is designed to bring together public and private investment into a 50:50 match funded plan to support training and skills development in areas key to economic recovery and future growth. He explained that Sector Skills Councils and Industry Training Boards were invited to submit expressions of interest to exploit the opportunities created by new technologies on the markets, and contribute to meeting the skills challenge of a low carbon economy. Successful Sector Skills Councils went forward to produce detailed implementation and delivery plans, and those that met the Skills Funding Agency stringent assessment on value for money and ability, were given approvals to commence activity for the 2010/11 academic year. The College has been approached by two Sector Skills Councils to work in partnership under this programme. As a result of the programme, the College will be required to enter into

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partnerships for delivery with a number of employer partners. The detail of the partner employers were reviewed at page 79.

One partner is Tarmac, the Finance Director was asked to ensure that the recent merger that Tarmac has undertaken does not affect the proposed partner commitments.

AGREED:

- a) to note the report,
- b) to recommend that the Board approve the proposed contractual commitments for 2010/11 for the College to work with partners across its programmes on delivery and delegate authority to the Principal and/or Director of Finance to enter into contractual commitments for the amounts shown, and
- c) to recommend that the Board approve the proposed contractual arrangements for the Joint Investment Programme.

11.18 PROCUREMENT UPDATE

The Finance Director introduced this item by way of usual update, he drew members` attention to the table at the bottom of page 81 and the targets that will and will not be achieved. Members reviewed the detail of procurement activity set out on page 83 and noted progress made in relation to gas and electricity, cleaning machinery, cleaning materials, internal and external audit, multifunctional photocopies and managed print services.

AGREED: to note the content of the report.

11.19 AOB

There were no items of urgent business.

11.20 DATE OF NEXT MEETING

The Clerk to the Corporation confirmed that the next meeting is scheduled for 5 May at 4.00 pm.

11.21 CONFIDENTIAL MINUTES OF THE MEETING HELD ON 18 NOVEMBER 2011

AGREED: to approve the content of the minutes of the meeting held on 18 November 2011.

There were no matters arising.

Meeting closed at 6.10 pm.

Signed : _____ Chair

Date: