

Meeting commenced: 18.00

Meeting ended: 19.15

**PRESENT**

Mr Andrew Baird	Independent Member
Mr Ray Elgy	Independent Member
Dr Barbara Spittle	Independent Member
Mr Lorne Benham	Support Staff Member
Mrs Jayne Dickinson	Acting Principal

**IN ATTENDANCE**

Ms Mitzi Gibson	Director of HR and Professional Development
Mr Jeremy Goodwin	Interim Vice Principal: Curriculum and Standards
Mrs Ann-Christine Harland	Vice Principal: Finance and Resources

**CLERK**

Mr Melvyn Cass	Clerk to the Corporation
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**FRC.40.11 DECLARATION OF INTERESTS**

Members and officers were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

**FRC.41.11 APOLOGIES FOR ABSENCE**

There were no apologies for absence

**FRC.42.11 NOTIFICATION OF ANY OTHER BUSINESS**

Members agreed that there was no other business to be considered.

**FRC.43.11 UNCONFIRMED MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 16 JUNE 2011**

The minutes of the meeting were approved and signed as a correct record.

**FRC.44.11 MATTERS ARISING AND ACTION POINTS FROM THE MINUTES OF THE MEETING**

Members agreed that there were no matters arising from the minutes of the meeting and noted that all Action Points arising from the meeting had been addressed to the satisfaction of the Committee.

**FRC.45.11 COLLEGE POLICIES**

The Director of HR and Professional Development presented, for consideration and approval, updates to five College policies:

**ESC 09 SINGLE EQUALITY POLICY FOR EMPLOYEES**  
**ESC 28 PROBATIONARY POLICY**  
**ESC 35 MATERNITY LEAVE POLICY**  
**ESC 36 PARENTAL LEAVE POLICY**  
**ESC 39 PATERNITY LEAVE POLICY**

The Vice Principal: Finance and Resources presented, for consideration and approval, updates to two College policies:

## **ESC 49 BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN ESC 60 HEALTH AND SAFETY POLICY**

The Committee was reminded that a regular cycle of reviews ensures that College policies take account of any changes in legislation.

Members noted

- with regard to the five policies presented by the Director of HR and Professional Development, identified updates had been made in line with changes in legislation
- with regard to ESC 49 Business Continuity and Disaster Recovery Plan, minor updates had been made relative to current staff and contractor contacts and relative to premises changes
- with regard to ESC 60 Health and Safety Policy, minor changes had been made.

### **RESOLVED**

The Finance and Resources Committee approves and commends to the Board:

- ESC 09 Single Equality Policy for Employees
- ESC 28 Probationary Policy
- ESC 35 Maternity Leave Policy
- ESC 36 Parental Leave Policy
- ESC 39 Paternity Leave Policy
- ESC 49 Business Continuity Plan and Disaster Recovery Policy
- ESC 60 Health and Safety Policy

## **FRC.46.11 APPROVAL OF CONTRACTS OVER 50K**

### **COLLEGE MECHANICAL AND ELECTRICAL MAINTENANCE**

The Vice Principal: Finance and Resources gave a verbal report to the Committee in which she reminded members

- of the basis on which consideration had been given, in June 2010, to the facilities management of the new building, with particular regard to mechanical and electrical maintenance and cleaning
- of the agreement to award a 12 month building services contract, in accordance with the expectations of the original building tender document, in the anticipated amount of £75,700 based on benchmark figures for similar buildings
- that the contract would normally have expired prior to the September 2011 meeting of the Committee and that it was appropriate to consider extending the current contract with Folio in order that formal consideration might be given to the issue at the next meeting
- of the approval of the Committee, at the meeting held on 16 June 2011, to the extension of the current contract for mechanical and electrical maintenance to Folio up to and including 1 October 2011.

Members were advised that the process of re-tendering for this service was currently underway and that it was anticipated that a proposal would be brought to the meeting of the Committee to be held on 24 November 2011.

In the interim, the Committee was requested to consider for approval the further extension of the current contract.

## **INFORMAL ADULT AND COMMUNITY LEARNING: WEA CONTRACT 2011/2012**

The Vice Principal: Finance and Resources presented for approval a report which detailed the proposed one year contract with the Workers' Educational Association (WEA) for Informal Adult and Community Learning for 1942 learners in the amount of £393,000 with effect from 1 August 2011.

Members were advised of the details of the grants received by the College in 2011/2012 and noted

- the College has not been asked to change either the target number of learners or the 'categories' of learners from that set in the previous four years
- the details of the proposed contract with WEA
- WEA have delivered their target in previous years
- the contract is drafted to be renewable on an annual basis
- the future of the grants is unknown and public consultation is currently in progress relative to 2012/2013 onwards

#### **RESOLVED**

The Finance and Resources Committee

- approves the further extension of the current contract with Folio for mechanical and electrical maintenance up on a monthly basis, subject to further consideration at the next meeting of the Committee
- approves the one year contract with the Workers' Educational Association for Informal Adult and Community Learning for 1942 learners for £393,300 from 1 August 2011 and commends the decision to the Board for approval.

#### **FRC.47.11 APPROVAL OF SUB-CONTRACTORS FOR FUNDED PROVISION: 2011/2012**

The Vice Principal: Finance and Resources presented a report relative to the need to approve all sub-contractors to the College for funded provision.

The Committee was advised that, in 2010/2011, the College did not meet the Informal Adult and Community Learner 'leisure' target and, as a consequence, wishes to sub-contract provision to 200 learners to Reigate College.

Members were advised that the College had assured itself, with regard to Reigate College, that

- the College is in sound financial health
- the College is an approved sub-contractor with the Young People's Learning Agency as a 'Beacon' College
- the College has a proven ability to deliver leisure courses to adults, following their own full cost 'pilot' programme in January 2011
- the College has the ability and track record to deliver the quality processes and procedures and data capture and integrity as required in the contract
- the provision is complementary to that provided by East Surrey College and WEA, being situated primarily at Reigate College and other local premises.

Members noted that the contract to be offered is on the same financial basis as that paid to the WEA.

#### **RESOLVED**

The Finance and Resources Committee approves the College appointment of Reigate College as a sub-contractor to deliver provision under the Adult Safeguarded Learning Grant for 200 learners from 1 October 2011 and commends the decision to the Board for approval.

#### **FRC.48.11 SKILLS FUNDING AGENCY: APPLICATION FOR ENHANCED RENEWAL GRANT**

The Vice Principal: Finance and Resources presented a report relating to proposals for the expenditure of £300k on the renewal of the Gatton Point South site.

Members were advised of

- the recent announcement by the Skills Funding Agency of the release of £100m to the sector
- the basis on which colleges are able to apply for two new grants, matched on a 2:1 ratio
- the grants available: up to £100k for Renewal Funding; up to £2m for Enhanced Renewal funding

The Committee was informed of the difference between the two grants and the basis on which it was considered appropriate, following discussion with the Skills Funding Agency, for the College to apply for Renewal Funding in the amount of £100k, to be supplemented by the College in the amount of £200k relative to the development of Gatton Point South.

Members discussed in detail the basis on which it is intended to develop the site, with particular reference to

- re-installation of IT in the Adult Learning Centre
- addressing issues relating to current temporary planning consent
- installation of a lift
- maintenance of the site
- conversion of existing workshops relative to new technologies
- multi-purpose science laboratory
- the development of the 'Platinum Programme'
- adaptations relative to LLDD learners
- developments relative to the promotion of enterprise and 'Job Outcomes'
- budgetary issues, including future grant funding
- anticipated additional income
- the detailed project works report and response to retain the site currently being drafted for submission to the Skills Funding Agency.

Members noted the strategic, risk and financial implications of the proposal.

#### **RESOLVED**

The Finance and Resources Committee

- approves that the College accepts £100k of funding from the Skills Funding Agency and commits to a matched spend of £200k, currently unbudgeted, from reserves
- commends the decision to the Board for approval.

#### **FRC.49.11 EAST SURREY COLLEGE BUDGET: 2011/12**

The Vice Principal: Finance and Resources presented a report which outlined proposals for changes to the approved budget, following the notification of additional costs.

The Committee was advised that the College is required to fund two additional items of non-pay expenditure from reserves:

- a provision of £50k for the Official Opening of the College
- a provision of £25k for the expected costs of recruitment to the post of College Principal.

Members noted that the two items would reduce the budget surplus from £488k to £413k.

#### **RESOLVED**

The Finance and Resources Committee recommends to the Board the approval of the additional non-budgeted costs of £75k to the East Surrey College Budget: 2011/2012.

**FRC.50.11 ENROLMENT 2011/2012**

The Interim Vice Principal: Curriculum and Standards presented a report on the initial enrolment position at 27 September 2011.

Members noted:

- for 16-18 learners funded by YPLA, the College target is 1484 full time students; current recruitment is 1441 full time and 83 part time learners totalling 1524
- recruitment above 1484 is unfunded but with 'growth' consolidation the following year
- the College anticipates that planned recruitment will achieve 1591 learners
- 19+ full time enrolments at 281 is in line with expectations; 19+ part time enrolments is at 816 – enrolment continues throughout the year and is on track to achieve the funding target
- recruitment against the Single Adult Grant is progressing well
- HE enrolments will be clarified in October but are expected to meet target
- IACL numbers are ahead of the position at the same time in 2010 and currently stand at 911
- the new Saturday course offer has attracted over 200 enrolments in the autumn term
- 14-16 recruitment is strong and meeting targets.

Members discussed the strategic and financial implications arising from the report and noted the risk implications.

**AGREED**

The Finance and Resources Committee receives and notes the report.

**FRC.51.11 MANAGEMENT ACCOUNTS: PERIOD ENDING 31 JULY 2011**

The Vice Principal: Finance and Resources presented the Management Accounts for the period to 31 July 2011.

Members considered the detail of the accounts, noting:

- the operating surplus is expected to be £434k after adjustments
- income has exceeded budget by £69k and forecast by £258k
- pay costs, including restructuring costs, have recorded savings of £132k against budget and forecast and have out-turned at 63% of income
- non pay costs have out-turned higher than budget and forecast by £93k and £59k respectively
- against AoC benchmarks, the College, with cash reserves of over £500k, is in a financially strong position going into 2011/2012
- payments for the final retention of the capital building project will be post year end; the revolving credit facility at year end was £0k after Lennartz receipts equalled repayment in year

Members noted the strategic and financial implications arising from the report.

Members were apprised of the relevance of the report to monitoring relevant areas of risk for 2011/2012:

Risk S2 - Failure to achieve 19+ target

Risk S4 – Failure to meet 16-18 learner targets

Risk S8 – Poor alignment of strategic and financial planning

Risk S11 – Failure to maintain satisfactory health to 2014

**AGREED**

The Finance and Resources Committee receives and notes the Management Accounts: Period Ending 31 July 2011.

**FRC.52.11 KPI DASHBOARD**

The Committee received the KPI Dashboard: July 2011.

Members considered each of the indicators in detail.

**AGREED**

The Finance and Resources Committee notes the KPI Dashboard: April 2011.

**FRC.53.11 ANY OTHER BUSINESS**

There was no other business.

**FRC.54.11 SCHEDULE OF MEETINGS: 2011/2012**

Thursday 24 November 2011

Thursday 1 March 2012

Thursday 14 June 2012

Meetings commence at 18.00.

As there was no further business, the Chair declared the meeting closed.

**SIGNED AS A CORRECT RECORD:**

**DATE:** Thursday 24 November 2011

