



TRURO AND PENWITH COLLEGE CORPORATION



Finance and General Purposes Committee

Minutes of the Finance and General Purposes Committee held on Tuesday 13 November 2018 at Truro College.

Members: Mr P Callen, Mr D Collins, Dr J Lander (Chair), Mr D Walrond, Mrs E Winser and Mr A Young

Also Present: Mr M Arnold (Director of Quality), Ms J Cashmore (Director of Operations), Mr D Haughton (Finance Officer), Mrs C Mewton (Director of Studies), Mr M Tucker (Director of Penwith College) and Mrs A Winter (Clerk to the Corporation)

Apologies: Ms L Edge and Sir Robert Owen
Mrs S Dickinson (Director of Finance), Mr A Stittle (Director of Teaching and Learning) and Mr M Wardle (Director of Curriculum)

Item	Discussion/Decision	Action
18/62	<p>Minutes</p> <p>The minutes of the meeting held on 1 October 2018 were approved and signed as a correct record.</p>	
18/63	<p>Matters Arising</p> <p>63.01 Management Accounts - Caterlink (Minute 18/52)</p> <p>Governors asked about the impact of outsourcing catering to Caterlink from the beginning of term. Governors noted that there had been a mixed start - whilst the quality of food was good and all outlets had been fully open continuously, some students were unhappy with the pricing. The new provider was continuing to adapt provision, taking account of student feedback.</p>	
18/64	<p>Management Accounts 1 August 2018 – 30 September 2018</p> <p>The Committee received the management accounts for the first two months of the 2018/19 financial year and the Finance Officer highlighted key areas where variations were anticipated.</p> <p>Governors noted that remaining within budget would be extremely challenging. Staffing costs would increase due to a rise in the National Minimum Wage as well as increases in pension contribution costs. Also, extra staffing costs associated with additional Maths and English GCSE delivery in 2018/19 would not be funded until 2020/21, due to the 2 year lagged funding system.</p>	

	<p>The Committee reviewed the income and expenditure relating to EU Revenue Projects and asked about the net value of this provision. It was explained that whilst projects only made a small contribution to costs, they had wider benefits for the College and it remained an important area of activity.</p> <p>In response to questions, clarification was provided about the Capacity and Delivery Funding allocation which had been used to fund a number of new Work Placement Officer posts.</p> <p>Members NOTED the revenue budget position at this early stage and the expected variations. A revised budget would be prepared for the next Committee meeting in January 2019.</p>	
18/65	<p>Cashflow Projections</p> <p>This confidential item is separately minuted.</p>	
18/66	<p>Draft Final Accounts 2017/18</p> <p>The Committee received the College’s draft final accounts for 2017/18, auditor’s Key Issues Discussion Document and letter of representation. Members noted the requirement to submit audited accounts to the ESFA by 31 December in the prescribed format.</p> <p>The Committee considered the draft accounts and noted that the College financial health grading was expected to decline to ‘Good’ this year. However, the pension deficit had been reduced, an operating surplus had been achieved and the College continued to hold substantial reserves.</p> <p>In response to questions, the changes to the valuation of land and buildings was explained. Additional land, the Fox building and artificial pitch on the Callywith site had added £8 m to the College’s assets. It was also noted that £2 m authorised capital expenditure related to the Stadium for Cornwall.</p> <p>The Auditor’s observations, benchmarking data and recommendations were reviewed by the Committee. No material issues had been raised, no audit adjustments were necessary and an unqualified audit opinion was confirmed.</p> <p>Following consideration, the Committee agreed to RECOMMEND to the Corporation approval of the final accounts for 2017/18, underlying accounting policies and letter of representation, subject to further scrutiny by the Audit Committee.</p>	AW for Corporation
18/67	<p>Final Accounts for the Cornwall SCITT for 2017/18</p> <p>The Committee received the Financial Statements for 2017/18 for the Cornwall School Centred Initial Teacher Training scheme (SCITT). Members were reminded that the Cornwall SCITT was a separate legal entity with the College acting as lead institution. Audited accounts were required by the National College for Teaching and Leadership (NCTL) by 31 December in the prescribed format. As the NCTL accounts template had not been issued in time for the meeting the end of year management accounts had been provided.</p>	

	<p>Members noted that the joint secondary and primary SCITT had again recruited 95 trainees in total, although, for various reasons, 5 had subsequently withdrawn which had an impact on fee income. The programme had achieved an operating surplus and remained in a sound financial position with healthy reserves.</p> <p>Following consideration, the Committee agreed to RECOMMEND to the Corporation approval of the final accounts for the Cornwall SCITT for 2017/18, subject to scrutiny by the Audit Committee.</p>	AW for Corporation
18/68	<p>Student Association Accounts and Fund Raising 2017/18</p> <p>The meeting received and noted the Student Association accounts for 2017/18. There had been very little activity at Truro and nothing during the year at Penwith.</p> <p>A summary of student fundraising activities was also provided and members were pleased to see support for various local and national charities totalling over £2,500.</p>	
18/69	<p>Review of Transport Policy for 2019/20</p> <p>This confidential item is separately minuted.</p>	
18/70	<p>HE Fees Proposal for 2019/20</p> <p>The Committee was reminded that tuition fee increases had been implemented in 2017/18 and since then, fees had remained at £8,224 pa (for HND/Foundation Degrees) and £9,250 (for full degree top up year/PGCE courses).</p> <p>Given the current recruitment challenges linked to national and local factors, the Committee AGREED that no further increase was appropriate and the HE fees and bursaries for 2019/20 should remain at the existing levels.</p>	
18/71	<p>Premises Matters</p> <p>This confidential item is separately minuted.</p>	
18/72	<p>Investment Panel Update</p> <p>This confidential item is separately minuted.</p>	
18/73	<p>Draft Cycle of Annual Business for 2019</p> <p>The Committee received and APPROVED the proposed cycle of business for 2019.</p>	
18/74	<p>Date of Next Meeting</p> <p>The Committee would next meet at 5.00 pm on Tuesday 22 January 2019 at Truro College.</p>	ALL to note