



TRURO AND PENWITH COLLEGE CORPORATION



Finance and General Purposes Committee

Minutes of the Finance and General Purposes Committee held on Tuesday 14 May 2019 at Truro College.

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

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

Apologies: Sir Robert Owen
Also, Mr A Stittle (Director of Teaching and Learning),

Item	Decision	Action
19/29	<p>Minutes</p> <p>The minutes of the meeting held on 12 March 2019 were APPROVED and signed as a correct record.</p>	
19/30	<p>Matters Arising</p> <p>30.01 Stadium for Cornwall (Minute 19/16.02)</p> <p>The Committee noted that Sport England had completed the due diligence and had confirmed the viability of the business plan. Completion of the land transfer from Cornwall Council was awaited.</p> <p>30.02 College Nursery (Minute 19/19)</p> <p>Governors were pleased to note the recent Ofsted inspection of the Nursery had resulted in a grading of 'Good', with the quality of pastoral care particularly highlighted.</p> <p>30.03 Morrab Road, Penzance (Minute 19/26)</p> <p>Governors were pleased to note that following the completion of roof repairs, the building would be the venue for the annual art exhibition this year and there had been external interest in potentially renting space. Window replacement was underway.</p> <p>30.04 FEC Review Steering Group (Confidential Minute 19/27)</p> <p>This confidential matter is separately minuted.</p>	

19/31	<p>Management Accounts August 2018 – March 2019</p> <p>The Committee considered the management accounts for the first eight months of the 2018/19 financial year and discussed any variations from the budget projections.</p> <p>The majority of income was in line with estimates but expenditure was slightly higher than expected in a number of areas, primarily relating to premises maintenance costs, potential costs arising from the arrangements with Caterlink and a redundancy process.</p> <p>The Principal explained the rationale and criteria for the voluntary redundancy process which had been commenced and preparations to progress to a compulsory redundancy process if the voluntary scheme did not achieve the necessary savings.</p> <p>The Committee NOTED that overall, the impact of the variations was a slight increase in the projected end of year deficit. The potential impact on the ESFA financial health grading was discussed. The Senior Management Team would continue to scrutinise all areas and ensure savings were made where possible.</p>	
19/32	<p>Cashflow Projections</p> <p>The Committee considered the cashflow projections to July 2021 incorporating the projected outturn for 2018/19 and proposed budget for 2019/20. Adjustments since the last meeting were discussed.</p> <p>The Committee NOTED that the cashflow position remained positive for the next eighteen months.</p>	
19/33	<p>College Budget for 2019/20 and Pay Proposals</p> <p>This confidential item is separately minuted.</p>	
19/34	<p>ESFA Financial Health Grading</p> <p>This confidential item is separately minuted.</p>	
19/35	<p>Catering Update</p> <p>This confidential item is separately minuted.</p>	
19/36	<p>Nursery Fees Proposal</p> <p>As a result of the projected budget deficit for 2018/19 a review of charges by other childcare providers had been undertaken.</p> <p>Although nursery fees had been revised in September 2018, a further increase was necessary to offset rising costs and improve the budget position. A 4% increase was proposed from September 2019.</p> <p>Governors asked about the potential impact on customers and comparisons with charges locally and were assured that a 4% rise was unlikely to impact on take up and would keep fees in line with other providers.</p> <p>Following discussion, the Committee APPROVED the proposed fee increases from September 2019.</p>	

19/37	<p>Capital Equipment Budget Update</p> <p>The Finance Director presented a summary of the capital equipment expenditure to the end of April 2019 and the proposed budget to December 2020.</p> <p>The Committee noted that as well as the allocation from College funds, additional grant funding had been received towards higher education activities from the National Collaborative Outreach Programme and Office for Student (OfS).</p> <p>At this stage around £65k was still available from the Small Equipment allocation of £170k for 2018/19 and over £930k of the £1.8m Capital Equipment Budget for 2018/19 remained unspent.</p> <p>It was proposed that the budget was extended by £758k to provide a total sum of £1.7m to cover equipment needs to the end of December 2020, including a rolling replacement cycle for computer equipment and a range of new multifunctional devices.</p> <p>Following consideration, the Committee APPROVED the capital equipment budget of £1.7m to December 2020.</p>	
19/38	<p>Review of Committee Terms of Reference</p> <p>The Committee reviewed the terms of reference and AGREED they remained fit for purpose and no changes were needed.</p>	
19/39	<p>Investment Panel Update</p> <p>This confidential item is separately minuted.</p>	
19/40	<p>Premises Matters</p> <p>40.01 Land at Callywith</p> <p>The Committee noted that a developer had approached the Council about planning permission for housing on land adjoining the College's 4.5 acre plot at the Callywith College site. As the proposed housing development could potentially affect access to the College's plot, the SMT was encouraged to take forward discussions with the Council and to explore options.</p> <p>40.02 Institute of Technology (IoT)</p> <p>The Committee noted that the Secretary of State had given provisional approval for the SW IoT in early April and negotiations to finalise conditions and capital awards were progressing. It was expected that the licence and capital funding agreement would be confirmed in June 2019. As any funding would have to be spent by March 2021, detailed plans for the proposed capital build needed to be progressed prior to final confirmation in June.</p> <p>40.03 Institute of Technology (IoT) Capital Build</p> <p>This confidential item is separately minuted.</p>	
19/41	<p>Date of Next Meeting</p> <p>The Committee would meet at 5.00pm on Monday 1 July 2019.</p>	ALL to note