

DRAFT

NEW COLLEGE, SWINDON

Minutes of a meeting of the Finance and General Purposes committee
held on 19th June 2018

Present: Jim Webster (Chair), John Dernie, Mark Owen, Graham Taylor

With: Richard Harris – Director of Finance and Partnerships
Deborah Bendle – Head of Finance
Michael Dickinson – Financial Accountant and Procurement Manager
Tracy Scaife – Clerk to the Corporation

1465 Apologies for absence – received from Les Durrant.

1466 Disclosure of Interests – none.

1467 Minutes of the last meeting held on 8th May 2018 – agreed as a correct record.

1468 Matters arising from the minutes of the last meeting held on 8th May 2018 – none.

1469 Budget and 2 year financial forecast- confidential minutes refer.

1470 Management Accounts – period 10 – report by the Finance Team received and noted.

The Head of Finance advised that the year-end surplus is increasing and is only just below target; the forecast for 14-18 learners has improved slightly in month; pay is still in overspend but the forecast is now lower than previous; non-pay overspend has increased further – this is in line with income but still remains a concern. The overall forecast has now moved to ESFA rated ‘outstanding’. The diversity ratio is improving; the actual being 20.3% against a target of 16.4%.

The significant drop in income from apprenticeships is a concern. The demand nationally for apprenticeships has fallen by 35%-40%.

The new all-weather pitch will be handed over to the college next week. The cost to the college is approximately £350k.

The committee was pleased to note that debtors have reduced slightly.

With regard to the Great Western Academy (GWA), the amount that the college has recharged to date was noted. The college is currently in negotiations with the school for contracts for services next year. It was noted that the majority of the £300k set-up fund has been used for the salaries of the Principal of the school and other staff appointed to date. The Principal advised that it should be possible to clawback the monies paid to the ‘buddy’ schools – circa £20k – as they have not been involved in any way with the project.

1471 Risk Management update – report by Director of Finance and Partnerships received and noted.

The meeting noted that two new items have been added to the Risk Register, these are post Area Review discussions and employment tribunal claims.

1472 Investment options – report by Financial Accountant and Procurement Manager received and noted.

The various investment options contained within the report were noted. Investment with Brewin Dolphin is viewed as long-term. Whilst BD is not mandated to invest in high risk instruments, the committee does not wish to commit more than the current level of 10% of its cash resources at this stage.

The main concern is that the college has a large amount of money placed with one bank and it was suggested that this should be spread amongst other institutions. Barclays should remain as the college main bank but other institutions that could be looked at including Nationwide and HSBC or HBOS, for example. The interest rates offered are similar but there might be negotiations to be had with regard to other matters that could be brought to the table. This could particularly be the case with Nationwide as they are based in Swindon. It was agreed that whichever institution is settled upon, the most important factor is safeguarding the college funds.

The Financial Accountant and Procurement Manager raised the matter of signatories for the Brewin Dolphin investment. These need to be updated as one signatory is no longer with the college and the Principal is due to retire in July. He suggested that two new signatories be set up and that these be the incoming Principal and the Chair of the committee.

RESOLUTION:

- (i) that the Financial Accountant and Procurement Manager investigates further the options for accounts with Nationwide, HSBC and HBOS and reports back to the committee;
- (ii) that the incoming Principal and the Chair of the Finance and General Purposes committee be set up as signatories for the Brewin Dolphin investment.

ACTION: MD to investigate further options for accounts with Nationwide, HSBC and HBOS; MD to update signatories for Brewin Dolphin investment.

1473 Financial Regulations – report by Director of Finance and Partnerships received and noted.

RESOLVED: that the Financial Regulations, as amended, be presented to the Corporation at its meeting on 3rd July for approval.

ACTION: RH to present Financial Regulations to Corporation 03.07.2018

1474 Date of next meeting – to be advised.

1475 Any other business – none raised.

1476 Confidential minutes of the last meeting held on 8th May 2018 – agreed as a correct record.

