

# **New College Telford**

## **Finance and General Purposes Committee**

**Thursday 18 September 2008**

### **Minutes**

**Present:** Mr D Hopkins (Chairman)  
Mr I Woulds  
Mr G Clark

**In Attendance:** Mrs B Tyley  
Ms A Hayes  
Mr P Taylor

#### **1 Apologies**

Dr R Hargreaves; Mr M Crowson.

The Clerk reported that regretfully it had not been possible to arrange the meeting on a date when all members could attend.

#### **2 Confirmation of Minutes**

After the correction of a typographical error ('comment' for 'comments' 6<sup>th</sup> para page 3) the minutes of the Finance and General Purposes Committee meeting of 9 June 2008 were confirmed.

#### **3 Declarations of Interest**

None.

#### **4 College Planning**

Mr Clark introduced the report (copy in Minute Book) for the Committee, explaining that it provided an overview of the current position of the College and included information on: post-16 developments in Telford and Wrekin; student recruitment; and ongoing work in respect of College estate options. He drew the Committee's attention to the positive progress made by the College in recent years, notwithstanding the considerable financial pressure the College has experienced. He noted the recent investments in capital equipment, the growth in student numbers and the steady improvement in student performance measures. In debate on this matter, both Mr Hopkins and Mr Woulds welcomed the very encouraging position set out in the report, and Mr Woulds enquired as to how this would affect the commissioning of provision to be made by the local authority. Mr Clark responded that it was not yet possible to determine how the commissioning process would be implemented, as there was a further year of LSC formula funding before it was due to begin.

Turning to curriculum matters, Mr Clark referred to the considerable changes which are underway right across the age ranges, from early years to Post-19 education and training. Taken together the potential developments represented the biggest curriculum change over the last thirty years, although he noted that the initial developments locally, for example, the new Diplomas, were more modest in scale.

Mr Clark drew members' attention to the proposals for post-16 developments in Telford and Wrekin, with consultation documents published by both the local authority and by Abraham Darby Academy. He summarised the proposals, and described their origins. He noted particularly that there were no firm timetables available for the implementation of the proposals. He commented that some of the proposals appeared to be more akin to reactive measures related to concerns over supporting particular schools, and that there was a danger of fragmented islands of relatively small scale, potentially uneconomic provision. In debate on this matter, Mr Hopkins referred to the current New College intake from schools involved in the proposals and commented that around half the intake from partner schools was involved. Mr Woulds questioned what the justification for the scale of the proposals was. Mr Clark commented that the proposals appeared to be predicated on the recruitment of new students, and that the development of post-16 provision in a partner school would not necessarily mean that their students would no longer opt for New College. Mr Hopkins commented that he could see some sense in making some provision locally in South Telford, but felt that there was an important role for New College's expertise to be utilised in enhancing and delivering it. Mr Clark commented that New College had staff capable of supporting and developing 'off-campus' provision, and that this was not necessarily the case in other institutions.

After further debate members agreed that, although not specifically requested by the consulting bodies, a response by the Corporation would be appropriate. The Principal agreed to draw together a draft response for consideration by the Corporation at its meeting of 7 October 2008.

Turning to student recruitment, Mr Clark summarised the main developments set out in the tables and text of the reports. Mrs Tyley described the careful enrolment exercise undertaken by the College, noting that there was considerable evidence of multiple applications and a marked increase in an approach to enrolment by students which can be described as 'consumerism'.

In debate on this matter, Mr Hopkins noted the encouraging student recruitment figures and questioned whether there was a discernable 'economic downturn' effect with students turning to education in preference to a difficult employment market.

Mr Clark commented that the more significant shifts he has seen have been a growing sense of serious interest in post-16 education from parents, and a growing focus on their studies from students themselves.

In response to a question from Mr Woulds, Mrs Tyley described the additional learning support given to College students with some 150+ students aged 16 receiving literacy support, and around 140+ students with specific special needs.

Mr Clark and Mrs Tyley described the actions taken in room allocation and timetabling in response to pressure on student numbers, and noted the impact of these changes on access to meeting rooms. She described the current investigation of developing temporary accommodation in the vicinity of the Hayward Arts Centre and extending the existing refectory. She also described the use of the College's own mini buses, particularly in transporting outdoor education students who spend a good deal of their time off-campus.

In response to questions from Mr Woulds and Mr Hopkins on the College's estates development, Mr Clark and Mrs Tyley described the initial work being undertaken in collaboration with the College's new property consultants working as 'client advisors'. Work was being undertaken to prepare a revised property maintenance programme and a current space utilisation survey. Mr Clark added that the consultants had commented that the property case for re-development was likely to be the most telling in terms of securing funding.

The Committee resolved to receive the report.

## **5 Draft Out-turn 2007/08**

Mrs Tyley introduced the report (copy in the Minute Book) for the Committee, explaining that provided an overview of the draft outturn for 2007/08. She paid due credit to the work of Ms Hayes in compiling the outturn, and explained that the College had employed a new accountant (following Mr Smith's departure after many years' service). She noted that the draft outturn indicated an overall surplus for the year of £149,000, exceeding the forecast surplus of £31,000 reported in June 2008. She summarised in turn the main variances between the original budget for 2007/08 approved in June 2007 and the June 2008 forecast, and the variances between the latter and the September 2008 draft outturn. She referred to the originally very cautious approach to pay costs, including the non-appointment to vacant posts and reduction in use of part time staff cover, and pointed to some other areas where budgeting could have been more rigorous.

She summarised the income and expenditure position as being overall very positive. However, she did point to two areas of concern both entirely outside the control of the College : the unplanned impact of SSAP24 position (additional estimated costs of long term payments to retired ex-New College staff receiving enhanced pensions); and that of FRS17 adjustments (estimates of the national underfunding of the Local Government pension scheme and the College's share of the deficit). She noted that FRS17 provision was subject to periodic actuarial review. Mr Woulds commented that authoritative advice on the impact and display of FRS17 adjustments should be forthcoming from the College's auditors. He also noted with approval that the pay costs as a proportion of income was shown as 71% in the draft outturn, below the College's maximum target of 75%.

After further explanation by Mrs Tyley and Ms Hayes of matters of detail set out in the draft outturn summary and balance sheets, the Committee resolved to receive the report.

## **6 College Fund 2007/08**

Mrs Tyley introduced the report (copy in the Minute Book) for the Committee, explaining that the figures were subject to audit and showed the income and expenditure account for student educational visits and other student related activities operated through the College. She noted that at the end of July 2008 there remained an unspent balance on the account of £15,879. Mrs Tyley reminded the Committee that the position of the College fund was being considered as part of the ongoing work examining the feasibility of creating a charitable trust and/or company that would support the ethos and purpose of the College, but that would operate in a different context from the College.

After further explanation of matters of detail, the Committee resolved to receive the college fund account for the period ending 31 July 2008.

## **7 College Banking and Payment Arrangements**

Mrs Tyley introduced the report (copy in the Minute Book) for the Committee explaining that the report sought the Committee's support for plans to open college credit card and fuel card accounts. She reported that the proposals were made in response to new supply conditions where the most advantageous terms for such items as hotel and travel bookings were often found with internet and other suppliers where payments in advance were required. She also noted that the system for staff reimbursement of payments for fuel costs by petty cash payments was no longer appropriate. Therefore the introduction of a college credit card and college fuel card were proposed. She summarised the controls and safeguards to be put in place for the use of both cards.

Mrs Tyley also referred to the intention to extend banking services in the Spring Term 2009.

The Committee resolved to:

- 1) Support plans to open credit card and fuel card accounts; and
- 2) Note plans to extend banking services in the Spring Term 2009.

## **8 Date of Next Meeting**

The next meeting of the Finance and General Purposes Committee will be held at 5.30 pm on Tuesday 25 November 2008.