

Finance & Personnel Committee 16 June 2009 at 5pm in Ashington

	<p>Present : M Jeans (Chair), N Hall, Peter Sample</p> <p>In Attendance: Clerk, Chris Todd, Kelly Rolands</p>	
	<p>Linda Ions and Rachel Ellis-Jones apologies</p>	
	<p>The meeting was quorate and the minutes tabled, read and approved as drafted. Matters arising from the minutes C Todd noted that the bank loan would be cancelled as there was no way of servicing the loan at this time. The George F White report was also noted to be not yet ready and would be carried forwards, the enrolment update on the cycle was not to be prepared at this time as the figures were not in yet.</p>	
	<p>5. Management accounts: This was the April position because due to the way the meetings fell the May figures were not yet prepared although Chris would mention the picture for May.</p> <p>Chris noted that the 800k loss figure could increase by up to 200k more as there were some uncontrollable elements that were yet to come in. There was no contract in place for some agency work in the construction department for example. Chris noted that this meant that some contracts had not been billed for a whole year leading to problems in anticipating the amounts to come out of the budget (also the original budget had not been set correctly). The meeting agreed it was disturbing that construction was a COVE area and no contracts were in place for this type of work which was not good practice. Chris noted that from a process point of view next year the budget was much more controlled and contracts would be signed first. There was discussion about the overdelivery problem again and Chris noted that in the next year delivery would be close to the plan and that delivery would be closely mapped to a plan. Chris noted that from his perspective it was for the FD to put a plan in place but for the CAMs to make sure that delivery was to the plan. CAM's would have much more control over their budgets and Kelly would be monitoring them each month to make sure they delivered on target. Again it was a question of changing attitudes and culture to improve data management and responsibilities for budgets.</p> <p>The Cash position would be helped by the LSC agreeing a 2million cash advance this would have to be paid back over time but would help the immediate position. Borrowing would need to be contemplated for capital investment at this stage. The Governors agreed that the social need for the College meant maintaining a broad curriculum which was</p>	

	<p>expensive to deliver.</p> <p>Assets were a potential source of capital but the market was not favourable for sale at the moment. The LSC were not pressing for any further steps at the moment and Chris did not favour sale of assets at this stage with the cash position improving and the potential for some of the Capital Build spend to be recouped. He would not want a repeat of the 7th Avenue sale incident when that asset was lost in the cash position.</p> <p>The Farm is subsidised heavily and decisions about it were problematic and likely to remain so. Kirkley had never operated to profit nor had High Gain.</p> <p>Chris noted that the Budget for next year was now ready and would go to the July meeting. The Chair asked that it be circulated as early as possible.</p> <p>Restructure costs: this was around £1.1million there will be an in year saving, some redundancies still to come. The teaching staff part was complete with no more threats from UCU and they seemed content with the position. There was still work to do with moving the right people to the right posts the management restructure has saved £111k and some admin and support savings were to come. The staff resource plan was now mapped on to the curriculum plan and the number and type of teaching hours was now known. Vacancy management would be carefully looked at next year and also the use of part-time and agency staff.</p>	
	<p>6. Summer works costs: These were works that needed to be done as part of the renovation of existing buildings. They were agreed by the meeting. The request for plastering bays was agreed and it was noted that someone needed to look into local sponsorship for materials particularly in construction.</p>	
	<p>7. Review of Debt : Kelly noted that substantial write off and corrections had improved the position, most of the debt was old, over 90days and the majority was due to error. There was going to be an interview process to appoint a debt collection agency. Progress had been made in aged debts and up to 50% was expected to be recovered. There has been a thorough review of debt procedures and they have been tightened up and were now being picked up at the 30 days stage. Long term debts should not occur going forwards. The meeting approved the debt report and thanked Kelly.</p>	
	<p>8. This item was not presented as not being ready for this meeting and would be carried forward to September (see above)</p>	
	<p>9. Approval of Accounting Policies: These were approved and a few minor amendments noted and agreed. It was noted there would be an</p>	

	additional meeting for 13 July to discuss the Budget in detail. N Hall gave his apologies for this.	
	10. Any other business: The farming committee was mentioned and it was agreed that a non-farming governor would be a good appointment. The appointment of an Assistant Principal at Kirkley was mentioned and it was agreed that full cost-recovery work would be a good focus for that person as this was an important potential income stream.	