

Finance & Personnel Committee 12 May 2009 at 5pm in Ashington

	<p>Present : L Ions (Chair), M Jeans, N Hall, R Ellis-Jones, Peter Sample</p> <p>In Attendance: Clerk, Chris Todd</p>
	<p>No apologies</p>
<p>Check numbering</p>	<p>The meeting was agreed to be quorate and the minutes from the last meeting were agreed to be accurate and approved the spelling of Tranwell was noted and the items to be actioned had been completed save for the GF Whites report which was still in progress. The Chair thanked Peter Sample for attending despite his imminent retirement.</p>
	<p>5 & 8. Budget and Allocations: It should be noted that the deficit of 1.3 million was expected to reduce to around 800k at the end of July this was due to the profile of income and expenditure.</p> <p>The cash position may improve if the LSC fund the expenditure on the Capital build work this would improve the overdraft but is an unknown still. Chris emphasised that for him the policy was to reduce the debt, reducing the overdraft may mean less capital next year. He would meet the LSC and enter talks for additional money on train to gain allocations. There were problems with the LSC now not being able to make many decisions at a local level and matters being referred back to the DCSF.</p> <p>Overall there was a good position on the budget next year with the project to downsize the curriculum on track. The VR project would probably not be completed by the time the budget goes to the Board. There were also issues about the allocations changing on an almost daily basis. Rachel noted that membership of the National Committee was proving useful in getting info on the allocations picture and LSC in general.</p> <p>The restructure was going according to plan, the cost of redundancies was affordable. It should be noted that managing debt would be key, the bank would be charging for non-drawdown of the loan so this would have to be considered. The Capital project was discussed and it was noted that the AoC were taking a softly softly position while there was still money in the pot. IT was now difficult to find anyone at the LSC to take decisions and so the position on the future of the application was still unclear.</p> <p>Governors noted that in industry the takeup of apprentices and training was falling and budgets being cut and it was agreed that a strategic relationship needed to be pursued with the County council.</p> <p>The Chair asked what was the picture with the VR project. The curriculum plan was done and projected numbers of redundancies were agreed, there was a plan in place for each department. Due to the allocation changes</p>

	<p>some of the plans needed to be reviewed, this has been discussed with the Unions. It was agreed that future recruitment should be SMT managed to avoid the old problem of unplanned staff growth. Rachel noted that the UCU were balloting for Industrial action as management were unable to give assurances on no compulsory redundancies. The worry was that the action could come during exams and end of course assessments. The press releases had been prepared. Rachel noted that Prof Fleming had phoned her to give some good advice about handling action short of a strike.</p> <p>There were issues of social need franchising that the College may need to change due to needing the allocation, this was not low cost work. The outreach centres were under review and a paper would come to the full board.</p>
	<p>6. Adult Education CONFIDENTIAL:</p>
	<p>10. Financial Intervention Plan: The curriculum plan was going well. Chris noted that the High Gain budget would be focussed on making it profitable and some capital investment would be needed. Various ideas were discussed for income generation and it was agreed that a board needed to be set up to protect the College's interest. The outreach centres were causing some concern as being not viable with high costs and a need to subsidise some premises. Employer Engagement was being streamlined and restructured.</p> <p>The reduction in non-pay expenditure was still an issue requiring tough controls, budget management was going to be put into contracts next year as a target. The ethos would be more on budget management for each department showing how they would cover the cost of items required. Buying would be focussed on with a preferred supplier list.</p> <p>It was noted that it may be useful for Chris to attend a meeting of the pensions board to see how the panel operated. The farm contracts were now signed and there would be a meeting of the farm limited company soon. The Debtors list was being dealt with by Kelly and going well.</p>
	<p>Any other business: The Friends of Kirkley had donated some funds for student projects as well as providing some prints for the Hall and the Governors agreed that that this was very welcome and Linda and Michael would try to arrange to attend the unveiling of the pictures. Chris noted that a 1% uplift had been budgeted for next year on staff costs.</p>