



FINANCE & GENERAL PURPOSES COMMITTEE MINUTES OF MEETING 175 HELD ON 23 March 2010

- Present:** John Wilson (Chair), Mary-Rose Hardy, Richard Smith (Principal)
- Clerk:** Fiona Bagchi
- In attendance:** Jim Darmody (Division Head), Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Mike Rogerson, Vice-Principal (Staff and Students), Ian Taylor, Vice-Principal (Performance Improvement), Alan Woodcock (Director of Resources)

175.1 Apologies for absence

There were apologies from Mike Noddings. It was noted that Jim Darmody, whose first term of office as Teaching Staff member of Corporation had ended in February 2010, had been nominated and elected unopposed for a second term and was attending the meeting as an observer. His formal appointment would take place at the next meeting of Corporation. Ian Taylor (Vice-Principal, Performance Improvement) joined the meeting briefly during item 175.5 and gave apologies for the rest of the meeting.

175.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting. The Director of Resources, Alan Woodcock, and the Finance Manager, Steve Rogers, declared an interest during the meeting at item 175.10.

175.3 Minutes of meeting 174 held on 26 January 2010.

The minutes of Finance and General Purposes (F&GP) Committee meeting 174 held on 26 January 2010 were approved.

175.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 The final risk assessment for the College trip to South Africa trip would be presented to the Committee's April 2010 meeting (174.9).

Action: MR/Clerk

- 2 The Chair and Vice-Chair would review with the Assistant Principal, Mark Rothery, the possibility of Corporation organising a fund-raising event in the Oak Building for the South Africa trip (174.9).

Action: Chair/Vice-Chair/MR

- 3 The action table to the minutes of F&GP 174 had been amended, as agreed (174.3).
- 4 A report on interest rates was on the agenda, as agreed (174.4).
- 5 A report on student transport arrangements for 2010/11 was on the agenda (174.7).
- 6 A report on interest rates had been presented to the February 2010 meeting of Corporation, as agreed (174.7).
- 7 An update on student applications for 2010/11 had been presented to the February 2010 meeting of Corporation, as agreed (174.8).
- 8 The Code of Practice on Freedom of Speech had been amended, as agreed (174.10).
- 9 The amended Code of Practice on Freedom of Speech had been presented to the February 2010 meeting of Corporation, as agreed. George Coyle, a Corporation member, had raised concerns at the meeting about the restrictive nature of clause 3.5 but, having reviewed the legal basis of the Code after the meeting, had e-mailed to say that he was happy that the issue in clause 3.5 was met by clause 3.6.3 (174.10).
- 10 The Committee's Annual Report was distributed to members for review (174.11).
- 11 It was noted that the Finance Manager's review of whether the increase in student applications for 2010/11 required existing risk management entries relating to funding, staffing, and curriculum to be amended would take place at the annual review of the College's risk register in April 2010 (174.14).

Action: SR

175.5 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for March 2010 and tabled an updated Appendix 2 showing retention.

Members noted with reference to 2009/10 that:

- the College was well placed to achieve all funded targets for 2009-2010;
- Appendix 2 to the report showed that retention at Level 3 retention for students aged 16-18 was down compared to March 2009.

Members discussed the fall in retention at Level 3 noting that:

- the detailed report on retention received at the January 2010 meeting of the Committee had indicated that the overall number of students leaving the College in 2009/10 year to date had been similar to 2008/09 but that fewer students had left after the census date in 2008 (i.e. after 1 November 2008);
- a recent review of retention in 2009/10 indicated, however, that the fall related to students withdrawing from programmes after the 6 week census date rather than leaving the College;
- the Vice-Principal (Performance Improvement), the Guidance Manager and the Director of Network and Information Systems would further review the fall in retention at level 3 and would report to the April 2010 meeting of the Committee.

Action IDT/DC/BJ/Clerk

An update on student applications for 2010/11 was tabled and discussed. Members noted in discussion that:

- the College had obtained funding for 1,189 students aged 16-18;
- 1,103 applications had been received to date compared to 809 applications in March 2009;

- the College was recruiting extra teaching staff in areas of particular demand.

Members noted that the Corporation's accommodation strategy was based on growth in student numbers and considered the need to accept unfunded growth in 2010/11 to ensure sufficient funding in subsequent years. It was noted that, in addition to the possibility of a number of unfunded places for 16-18 year old students in 2010/11, it was likely that the College would have a number of unfunded students aged over 19.

The Committee received the Student Numbers and Funding Report for March 2010, noting that a report of a further investigation into the fall in retention for level 3 students aged 16-18 would be made to the April 2010 meeting of the Committee.

(Bill Jackson left the meeting).

175.6 Updated Safeguarding plan

Mike Rogerson, Vice-Principal (Staff and Students) spoke to the updated safeguarding development plan for 2009/10.

Members noted that:

- the plan provided an update on the report made to the February 2010 meeting of Corporation;
- 126 members of staff had undertaken safeguarding training, with 26 staff still to undertake training;
- Mike Rogerson and Margaret Cordeaux had recently completed a 2-day safeguarding co-ordinators' training;
- a specific question on safeguarding was asked of job applicants at interview and safeguarding training would be provided for new staff on joining the College;
- John Wilson, the Chair of Corporation, and Mary-Rose Hardy, who as Chair of the Personnel Committee was also Corporation's nominated member with responsibility for safeguarding in relation to allegations against senior post-holders, had also undertaken safeguarding training.

Members discussed whether Corporation members should also be offered the opportunity to undertake the safeguarding training package used by the College and agreed that the Clerk should e-mail members to ascertain whether they would be interested in completing the on-line or paper version of the package.

Action: Clerk

The Committee received the update on the College's safeguarding development plan for 2009/10 and noted the progress being made to date.

175.7 Health and Safety (H&S) Report

Alan Woodcock, Director of Resources, spoke to the Health and Safety (H&S) Committee minutes for December 2009

Members noted in discussion of the minutes that:

- the November 2009 fire drill had gone well and the new 2-way radio system had been tested;
- outstanding risk assessments had been completed;
- the Accident Book recorded 7 minor, no major and no dangerous accidents between October and November 2009.

Members noted in discussion that minor accidents recorded in the Accident Book included a student who claimed that she had bruised a leg after slipping on a manhole cover. It was noted

that the student had subsequently made a claim against the College. The advisability of taking legal advice in relation to the claim was considered.

Members noted:

- with reference to a minor accident involving a broken chair in the Lecture Theatre that the College had checked other chairs for similar damage;
- the block in which the Lecture Theatre was situated would no longer be in use following the formal handover of the Oak Building during Easter 2010;
- with reference to issues relating to chairs in the Wilson Building, it was noted that these were currently being repaired under guarantee and the College intended to replace them at the end of 5-year guaranteed period.

(Jim Darmody left the meeting).

Members received a verbal report on the H&S Committee meeting which had taken place earlier on 23 March 2010, noting that:

- the Committee had considered how the opening of the Oak Building would impact on the College's health and safety systems, agreeing to keep the fire assembly point behind the Ash Building;
- the Director of Resources and the Vice-Principal (Staff and Students) would discuss how best to inform students of the fire assembly arrangements at the start of the summer term.

The Committee received the H&S report for December 2009 and received a verbal report on the H&S Committee meeting held earlier on 23 March 2010.

175.8 Finance Matters

(i) Monthly Accounts, including review of financial performance indicators

The Finance Manager, Steve Rogers, spoke to the management accounts for February 2010, including the key performance indicators and ratios.

Members noted in discussion:

- that the budgeted deficit for the year was £96,700;
- that after the first 7 months of the year the College was performing better than budget with an operating and historical cost deficit of £50,400 against a budgeted deficit of £175,400;
- that pay expenditure showed an overall positive variance of £70,400, noting that the second stage of the annual pay award was due to be made from 1 April 2010;
- that non-pay expenditure showed a positive variance of £63,700 although many of the variances were due to profiling issues;
- non-pay expenditure for the year was expected to include additional legal costs in the region of £10,000;
- the key performance indicators and ratios, noting that these were affected by the College's capital project.

The Committee considered the management accounts for February 2010, noting that the College was currently performing ahead of budget and would seek during the remainder of the year to minimise the year-end budgeted deficit of £96,700, if possible.

(ii) Update on borrowing

Members received a report from the Finance Manager on interest rates between December 2008 and March 2010, noting that recent press reports had indicated that interest rates might continue at existing levels until the end of the year and possibly into 2011, agreeing that the Finance Manager should continue to report to the Committee to allow the need to fix a further proportion of the loan to be considered.

Action: SR/Clerk

(iii) Verbal report on outline budget for 2010/11

Members received a verbal progress report on development of the outline budget for 2010/11, noting that the Finance Manager:

- had received details of the College's grant allocation for 2010/11 from the Learning and Skills Council (LSC) and had considered other expected sources of income (e.g. income from catering, partner school work, Aimhigher);
- had produced some initial pay and non-pay expenditure projections for 2010/11 which would be presented to the senior management team (SMT) for consideration.

The Committee received a verbal report on the development of the outline budget for 2010/11.

(iv) Verbal report on student transport arrangements

The Committee received a verbal report from the Finance Manager on student transport arrangements.

Members noted in discussion:

- the importance of convenient transport arrangements, especially for students travelling from the East Riding of Yorkshire or East Hull;
- increased College support for travel arrangements would be required as student numbers increased;
- the College had made representations to Stagecoach and Hull City Council concerning the proposal to discontinue the No. 10 circular service to Bilton and had recently heard that the service would continue to the end of the current academic year;
- the College would consider financing its own service to the east of the city should this be required in the longer term;
- proposed improvements to the College bus service provided by East Yorkshire Motor Services (EYMS) from 2010/11 e.g. splitting the two 930 services in the morning into 2 distinct routes;
- the provision of a College bus stop on Bricknell Avenue, the College's new entrance from summer term 2010.

The Committee received a verbal report on student transport arrangements.

(v) Financial Procedures: revised credit card procedures

The Committee discussed and approved the College's revised credit card procedures for recommendation to Corporation with the following minor amendment: the final paragraph should be numbered as 12 rather than 11.

Action: Clerk/Chair

175. 9 Strategic and Development Plan Report including report on property strategy

(i) College re-development project

The Director of Resources reported that:

- staff would move into the Oak Building during the Easter holiday, as planned;
- the expected increase in student numbers meant that the College was seeking temporary planning permission to retain the Music mobile and the B mobile for 2 years;
- the College had decided to donate the refectory mobile, which would otherwise have been demolished, to a Cottingham boys' football club which would pay for it to be removed from the College site.

The Director of Resources, Alan Woodcock, and the Finance Manager, Steve Rogers, declared an interest in the boys' football club to which the refectory mobile was to be donated.

Insurance and security arrangements for the Oak Building following the handover by Hobson and Porter were discussed.

The Committee received a verbal progress report on the College re-development project and congratulated the College on completion of the Oak Building, which was to open on schedule at Easter 2010.

(ii) Building Schools for the Future (BSF)

The Principal reported that planning permission had been given on 3 March 2010 for the re-development of Kelvin Hall School, on condition that BSF replace the footbridge over the railway line at a cost of around £1million.

Members noted that, while the imposition of the above condition had delayed the Kelvin re-development project, it was not expected to delay work on the new College drive and car parking spaces.

The Committee received a verbal progress report on the re-development of Kelvin Hall School under BSF.

(iii) Visit of civil servant from the Department for Children, Schools and Families (DCSF)

The Principal reported that the College's offer to take part in a scheme to host a civil servant from the Department for Children, Schools and Families (DCSF) had been accepted by the Department and a civil servant had recently spent 3 days at the College.

(Mike Rogerson left the meeting).

175.10 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal reported that:

- the Biology department trip to Barcelona previously notified was currently taking place;
- the College choir had been invited to perform at the Queen Elizabeth Hall in London in April 2010 as part of the Sixth Form College Forum (SFCF) event marking the formal designation of colleges as "sixth form colleges".

The Committee received a verbal report from the Principal on trips and visits.

175.11 Report on LSIS Academies briefing

The Committee received from the Clerk written briefings arising from a recent Learning and Skills Improvement Service (LSIS) workshop which she had attended on college involvement with Academies.

Members noted in particular:

- that any Corporation nominee to an Academy had a fiduciary duty to the Academy rather than to Corporation;
- the possibility of a lead sponsor taking an Academy in a direction with which a co-sponsor did not agree, noting that private companies entering into a similar arrangement with each other would normally ensure that this possibility was addressed through relevant legal agreements but that Academy sponsors were tending to rely on the Memorandum and Articles provided by the Department for Children, Schools and Families (DCSF) to regulate their relationship;
- the power of the Secretary of State to appoint additional members to the board of an Academy and thereby change its composition;
- that the amount of work involved in setting up an Academy could be onerous, even for a co-sponsor.

The Committee received a briefing on Academies.

175.12 Annual Report

A paper copy of the report was received at the meeting and it was agreed that the Clerk would also e-mail the report to members for comments.

Action: Clerk

175.13 Documents from the LSC, DCSF, BIS and other outside bodies

The following documents were received and the following points noted:

- Notification from the Sixth Form Colleges Forum (SFCF) dated 16.3.10 informing clerks that the draft Instrument and Articles of Government Modification Order for sixth form colleges would be released to corporations shortly for consultation. The Order would deal with technical changes required as a result of the dissolution of the Learning and Skills Council (LSC) on 1.4.10.
- Extracts from Eversheds e-briefings dated 16.3.10 and 18.3.10 confirming that sixth form colleges' principal charity regulator for the purposes of the Charities Act 2006 would be the Young People's Learning Agency (YPLA). Academies would be required to register with the Charity Commission.
- Eversheds' e-briefing dated 4.3.10 on the second statutory order commencing various provisions of the Apprenticeships, Skills, Children and Learning Act 2009. Provisions affecting sixth form colleges included the dissolution of the LSC, the formal establishment of the YPLA, the power for the Secretary of State to designate institutions as sixth form colleges, sixth form colleges having a duty to promote the social and economic well-being of those in their areas.
- Eversheds' e-briefing dated 8.3.10 on the Provision of Services Regulations 2009 as they applied to colleges. The Regulations were largely concerned with the provision of information, much of which appeared already likely to be provided under colleges' Publication Schemes.

175.14 Any other business

It was noted that there were no other items of business to be discussed.

173.15 Risk management – items identified at the meeting

It was noted that no new items of risk had been identified at the meeting.

173.16 Date of next meeting: Tuesday 27 April 2010 at 4.30pm.

Fiona Bagchi
Clerk to the Corporation
20 April 2010

Actions arising from F&GP Committee meeting 175 held on 23 March 2010

No.	Action for:	Action:	Status of Actions:
1	MR/Clerk	Bring final risk assessment for S. Africa trip to F&GP – <u>Apr 2010.</u>	On the agenda.
2	MR/Chair/Vice-Chair	Review possibility of Corporation fund-raising event in Oak Building for S. Africa – <u>Apr. 2010</u>	
3	SR	Review the College's risk register to see whether, as result of the increase in student applications for 2010/11, existing entries in the risk register relating to funding, staffing, curriculum should be amended – <u>Apr. 2010</u>	
4	IDT/DC/BJ/Clerk	Report on fall in retention at level 3 to be made to Committee – <u>Apr. 2010.</u>	On agenda.
5	Clerk	E-mail members to ascertain whether they would be interested in completing the on-line or paper version of the package – <u>Apr. 2010.</u>	Done.
6	SR/Clerk	Finance Manager to give regular reports on interest rates and the desirability of fixing a further portion of the loan – <u>Dec. 2009 and ongoing.</u>	On agenda.
7	Chair/Clerk	Recommend revised credit card procedures to Corp., with amendment to numbering, as agreed – <u>May 2010.</u>	
8	Clerk	Paper copy of Committee's annual report received at the meeting and agreed that it should also be e-mailed for comments - <u>Apr. 2010.</u>	Done.

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.

**FINANCE & GENERAL PURPOSES COMMITTEE
MINUTES OF MEETING 176 HELD ON 27 April 2010**

Present: John Wilson (Chair), Mike Noddings (Vice-Chair), Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Jim Darmody (Division Head), Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Mark Rothery (Assistant Principal), Ian Taylor, (Vice-Principal, Performance Improvement), Alan Woodcock (Director of Resources)

176.1 Apologies for absence

There were apologies from Mary-Rose Hardy, a Committee member, and from Mike Rogerson, Vice-Principal (Staff and Students).

176.2 Declarations of interest

There were no declarations of interest.

176.3 Minutes of meeting 175 held on 23 March 2010.

The minutes of Finance and General Purposes (F&GP) Committee meeting 175 held on 23 March 2010 were approved.

175.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 The latest version of the risk assessment for the trip to South Africa was on the agenda, as agreed (175.4).
- 2 With reference to fund-raising for the above trip, it was agreed that students going on the South Africa trip would show Corporation members around the Oak Building and the give a presentation on the trip at the start of the Corporation meeting on 12.5.10. Individual Corporation members could then make donations, if they wished (175.4).
Action: MR
- 3 The Finance Manager reported that the annual updating of the College's risk register was currently taking place and the need for existing entries in the risk register relating to funding, staffing, curriculum to be amended would be reviewed with reference to the increase in student applications for 2010/11 (175.4).
Action: SR

- 4 A further report on the fall in retention at level 3 was on the agenda, as agreed (175.5).
- 5 The Clerk had e-mailed Corporation members to ascertain whether they wished to complete the on-line or paper version of the safeguarding children package used by the College and had sent the results to Mark Rothery, Assistant Principal (175.6).
- 6 A report on interest rates and the desirability of fixing a further portion of the loan was on the agenda, as agreed (175.8).
- 7 The revised credit card procedures would be presented to Corporation, as agreed (175.8).

Action: Chair/Clerk

- 8 It had been agreed that the Committee's annual report should be presented to the May 2010 Corporation meeting (175.12).

Action: Clerk/Chair

It was agreed that as the Vice-Chair, Mike Noddings, had to leave the meeting early, items requiring decision should be considered earlier on the agenda.

176.10 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention, including risk assessment for South Africa trip

(Jim Darmody arrived during this item).

It was agreed that the above item should be considered at this point on the agenda.

Mark Rothery, Assistant Principal, presented the revised risk assessment for the South Africa visit.

Members noted in discussion that:

- The risk assessment had been based on one for a school trip to Zambia, in which the Assistant Principal had taken part, and which had been approved by the local authority.
- Since the risk assessment had been last reviewed by the Committee, it had been reviewed by partners in South Africa and by the schools expedition company, World Challenge.
- A few changes had been made since the last review e.g. the inclusion of a mobile 'phone with a local Sim card for the group.
- There were now 11 students taking part and 2 staff members.
- The risk assessment now included a white-water rafting event, organised through an approved South African white-water rafting association and booked through an approved travel agent.
- The risk assessment included an over-arching statement that there would be an ongoing risk assessment during the visit and that the organisers could decide not to proceed with an activity on the day, if the risk were deemed too high.

Members discussed the proposed white-water rafting event, noting that:

- The Assistant Principal would obtain more information to ensure that the company would meet the standards required of a British operator.

- White water rafting had not been included in the lists of activities previously referred to the College's insurers.

The Committee agreed that they were satisfied that the risk assessment provided appropriate controls, subject to the inclusion of white-water rafting being referred to the College's insurers.

Action: SR/MR

176.8 Finance Matters

- (iv) Tuition fees for 2010/11 for recommendation to Corporation

It was agreed that the above item should be considered at this point on the agenda.

The Finance Manager, Steve Rogers, presented proposed tuition fees for 2010/11.

Members noted:

- Proposed fee levels were for the academic year 2010-11 for all learners who were not fully funded by the Learning and Skills Council (LSC) successor bodies.
- Recommended fees had been set in line with the assumed fee element for listed and load-banded courses notified by the LSC *Funding Guidance for Further Education*.
- Part of the rise was due to an increase in the percentage of the assumed fee element that the LSC expected colleges to collect from non-funded students which had risen from 47.5% to 50%.
- Proposed fees for post-A level Italian classes were incorrectly shown on the list and should be £190.

The Committee agreed to recommend to Corporation the proposed tuition fees for 2010/11, with proposed fees for post-A level Italian classes to be amended to £190.

Action: Chair/Clerk

176.5 Report on pay consultation 2010/11

It was agreed that the above item should be considered at this point on the agenda.

The Principal presented the Sixth Form College Forum (SFCF) consultation paper on the 2010 pay round.

Members noted in discussion

- The current Secretary of State had confirmed that schoolteachers would receive 2.3% from 1 September 2010.
- Local government employers had informed trade unions that the adverse economic climate meant that they were unable to offer any increase in pay for 2010/11.
- It was not known whether a new government would confirm the schoolteachers' pay award.
- The 2009 pay settlement for both teaching and support staff in sixth form colleges for teaching and support staff had provided for a phased pay increases of 1.5% with effect from 1 September 2009 rising to 2.3% from 1 April 2010, at a total overall cost in 2009/10 of 1.84%.

- An initial discussion of the 2010 pay consultation had been discussed at senior management team and a preference for keeping the same percentage increase for teaching and support staff expressed.

The Committee agreed that, when responding to the SFCF pay consultation for 2010, the Principal should indicate that teaching and support staff should receive the same percentage pay increase, in the interests of equity.

Action: RTS

176.6 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for April 2010 and Ian Taylor gave a presentation on student retention.

Members noted with reference to report that:

- The College continued to be well placed to achieve all funded targets for 2009/2010.
- Level 3 retention was down compared to April 2009 i.e. 90.7% on 1.11.09, 90.4% on the forty-third day from enrolment in compared to 93.8% on 1.11.08.
- In previous years, any withdrawal prior to 1 November would have been excluded from the benchmark analyses, with the graph at Appendix 3 of the student numbers and funding report showing that by the end of December 2009 (Day 50), the number of withdrawals had been comparable to December 2008 and that on 1.11.09 there had been 81 fewer (29.8%) withdrawals compared to 1.11.08.
- The graph at Appendix 4 of the report showed a similar analysis using the new six week rule, with any withdrawals on or prior to the forty-second day of enrolment on long qualifications not counting in the benchmark analysis.
- Taking into account the above measure there had been 63 fewer level three long qualification withdrawals (26.6%) than in 2008
- It therefore appeared that students who left a qualification did so later in 2009.

Members noted in discussion of the presentation that:

- Retention was affected both by students leaving the college and students leaving courses.
- Students left the College in 2009 in similar proportions to 2008, although there had been a rise in students leaving for health reasons or to take up apprenticeships and a fall in students leaving to take up employment.
- With reference to the fall in retention at level 3, that the College had a comprehensive system of guidance at Wyke Start and enrolment, had implemented a new tutorial system which included increased monitoring and progression checks, the College also emphasised the importance of retaining students and the need to ensure a successful outcome to their studies.
- Retention would be a focus of discussion at the staff meeting scheduled for early May 2010, the Assistant Principal would consider whether BTEC would be more suitable for some students than A levels, the on-line A-level aptitude screening test completed by borderline students would be completed by all students in future and borderline cases would be recommended to undertake a 3-year course starting at level 2.

The Committee received the Student Numbers and Funding Report for March 2010, noting actions being taken to address the fall in retention for level 3 students.

The Committee agreed that the following reports should be received.

176.7 Health and Safety (H&S) Report

The Director of Resources, Alan Woodcock, presented the Health and Safety report.

Members received the report, noting that the College insurers were handling a claim from a student who had allegedly slipped on a loose drain cover.

176.8 Finance Matters Report

The Finance Manager, Steve Rogers, presented the following reports.

(i) Monthly Accounts, including review of financial performance indicators (PIs)

The Committee received the management accounts for March 2010, including the key performance indicators and ratios. It was noted that after the first 8 months of the year, the College was performing better than budget with an operating and historical cost deficit of £247,900 against a budgeted deficit of £355,700 and that it was possible that the year-end outcome would be an improvement on the budgeted deficit of £96,700.

(ii) Borrowing report: long-term interest rate movements

The Committee received the report on long-term interest rates, noting that they had fallen again, and that it would not be appropriate at this stage to recommend to Corporation that a further portion of the loan taken out to support the College re-development project should be fixed.

(iii) Progress report on outline budget for 2010/11

The Committee received a verbal progress report from the Finance Manager on development of the outline budget for 2010/11, noting that the College was now aware of its funding allocation and that discussion was continuing on some items of pay expenditure (e.g. the finalising of new appointments for 2010/11) and some items of non-pay expenditure (e.g. utility costs in the Oak Building).

(iv) Tuition fees for 2010/11 for recommendation to Corporation

It was noted that the above item had been considered earlier on the agenda.

176.9 Strategic and Development Plan Report, including report on College property strategy

Members received a verbal report from the Director of Resources on the property strategy, noting that:

- **The Oak Building was now open, was working well and there had only been minor snags to deal with.**
- **The College was ensuring that the noise of demolishing the old building was not an issue for students taking exams e.g. language students were taking exams in the recording studio.**
- **Balfour Beatty was beginning enabling work on the re-development of Kelvin Hall School and that a meeting with Hull City Council was scheduled for early May 2010 to progress the legal agreement with the school on the use of College land and shared use of the site.**

- 176. 10** Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention, including risk assessment for South Africa trip

It was noted that the above item had been considered earlier on the agenda.

- 176.11** Data Protection/Freedom of Information/Publication Scheme/
Environmental Regulations

It was noted that a separate freedom of information e-mail address (e.g. foi@wyke.ac.uk) would be added to the website, to aid those making Freedom of Information (FOI) requests and ensure that they were properly directed, and that a draft Data Protection, FOI, Publication Scheme and Environmental Regulations charging policy would be presented to the Committee for consideration.

Action: BJ/Clerk/SR

- 176. 12** Documents from the LSC, DCSF, BIS and other outside bodies

The Committee noted a letter from the Department for Children, Schools and Families (DCSF) confirming the legal designation of the College as a sixth form college from 1.4.10.

- 176.13** Any other business

It was noted that there was no other business.

- 176.14** Risk management – items identified at the meeting

The Committee considered whether the South Africa trip should be added to the College risk register, noting that this was unnecessary as the trip had its own separate risk assessment.

- 176. 15** Date of next meeting: Tuesday 25 May 2010 at 4.30pm

Fiona Bagchi
Clerk to the Corporation

Actions arising from F&GP Committee meeting 176 held on 27 April 2010

No.	Action for:	Action:	Status of Actions:
1	MR	Students going on S. Africa trip to show Corp. members around the Oak Building & give a presentation on the trip at the Corp. meeting - <u>May 2010.</u>	Done
2	SR	Review the College's risk register to see whether, as result of the increase in student applications for 2010/11, existing entries in the risk register relating to funding, staffing, curriculum should be amended – <u>Apr. 2010</u>	<i>SR to report at meeting.</i>
3*	Chair/Clerk	Recommend revised credit card procedures to Corp., with amendment to numbering, as agreed – <u>May 2010.</u>	
4*	Chair/Clerk	Committee's annual report to be presented to Corp. - <u>May 2010.</u>	Done.
5	SR/MR	Refer white water rafting to insurers – <u>May 2010.</u>	<i>Insurers contacted. They have requested more information. Report to be given at meeting.</i>
6*	Chair/Clerk	Recommend tuition fees for 2010/11 to Corp., amended as agreed – <u>May 2010.</u>	Done. Approved.
7	RTS	Respond to SFCF pay consultation, reflecting equity in percentage pay increase for teaching & support staff, as agreed – <u>Apr. 2010.</u>	Done.
8	BJ/SR/Clerk	Develop FOI e-mail address & Data Protection, FOI, Publication Scheme & Environmental Reg.s charging policy – <u>May 2010.</u>	On agenda.

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.

**FINANCE & GENERAL PURPOSES COMMITTEE
MINUTES OF MEETING 177 HELD ON 25 May 2010**

- Present:** John Wilson (Chair), Mike Noddings (Vice-Chair), Jim Darmody, Mary-Rose Hardy, Richard Smith (Principal)
- Clerk:** Fiona Bagchi
- In attendance:** Bill Jackson (Director of Network and Information Systems), John Hamlin (Liaison Manager), Steve Rogers (Finance Manager), Mike Rogerson Vice-Principal (Staff and Students), Mark Rothery (Assistant Principal), Ian Taylor (Vice-Principal, Performance Improvement), Alan Woodcock (Director of Resources)

177.1 Apologies for absence

There were no apologies.

177.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting.

177.3 Minutes of meeting 176 held on 27 April 2010.

The minutes of Finance and General Purposes (F&GP) Committee meeting 176 held on 27 April 2010 were approved.

177.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 Students going on the South Africa trip had shown Corporation members around the Oak Building and had given a presentation on the trip at the May 2010 Corporation meeting, as agreed (176.4).
- 2 The Finance Manager, Steve Rogers, reported that a review of risks associated with funding, staffing, and the curriculum had been undertaken at the annual review of the risk register with reference to the expected increase in student applications for 2010/11. It was noted that existing entries had, however, been found to already cover the risks adequately 176.4).

(The Principal left the meeting).
- 3 The Chair of Corporation, John Wilson, had approved, under Chair of Corporation's action, the revised credit card procedures arising from the recent audit and approved by the Committee for recommendation to Corporation and they were now in force.

They would be presented to Corporation for ratification (176.4).

Action: Clerk

- 4 The Committee's annual report had been presented to the May 2010 meeting of Corporation, as agreed (176.4).
- 5 It was noted that the College's insurers had been sent information from the company providing white water rafting as part of the College trip to South Africa and had confirmed that this aspect of the trip was covered by the College's insurance (176.10).
- 6 Tuition fees for 2010/11 had been approved at the May 2010 meeting of Corporation, on the recommendation of the Committee (176.8).
- 7 The Principal had responded to the Sixth Form Colleges Forum (SFCF) pay consultation, reflecting the desirability of equity in the percentage pay increase for teaching and support staff, as agreed (176.5).
- 8 An item on the development of a Freedom of Information (FOI) e-mail address and of a Data Protection, FOI, Publication Scheme and Environmental Regulations charging policy was on the agenda, as agreed (176.11).

177.5 Student recruitment report

Mike Rogerson, Vice-Principal (Staff and Students) and John Hamlin, Liaison Manager, spoke to the student recruitment report for 18 May 2010.

Members noted that:

- The application total to date was 1,154 (May 2009: 778).
- Applications from partner schools had increased to 547 (2009: 413)
- With reference to partner schools, applications from Endeavour were similar to 2009 and applications from Sir Henry Cooper had increased despite falling rolls, and 54 applications had been received from the Sirius Academy which was sponsored by Hull College.
- Numbers of students from Kelvin Hall and Sydney Smith Schools had risen significantly.
- Applications from partner schools had also increased to 331 (May 2009: 224), with increased applications from Cottingham High School and Wolfreton School, although applications from the Beverley area were down.
- Applications from schools in East Hull had also increased significantly, particularly from Malet Lambert and Winifred Holtby schools, which had invited John Hamlin to speak to students.
- The number of students applying from St Mary's College and from local private schools had also increased.

(The Principal returned to the meeting).

The report was discussed and it was noted in response to members' questions that:

- Good academic results, the new website and the new campus were considered to be the main reasons for the increase in applications, together with the work undertaken by John Hamlin in schools.
- A cap had been placed on some level 3 subjects and there was a waiting list for some level 2 subjects.
- With reference to applications from East Hull, that unlike the regular schedule of visits to partner schools in West Hull, John Hamlin only went to schools in East Hull when invited to do so.

- It was possible that some applications from East Hull were dual applications to both Wyke and Wilberforce Colleges.
- According to statistics produced annually by the local Connexions service, there had only been a small increase in students staying in education after age 16.
- Although Hull City Council and East Riding of Yorkshire Council had jointly purchased the Common Application Process (CAP) software, only 7% of students in the East Riding were using it.
- The College was already working on marketing for 2011/12, including advertising in the Beverley area, and was considering developing the possibility of students applying by mobile 'phone.

The Committee received the student recruitment report for May 2010, noting that 1,154 applications had been received to date compared to 778 applications in May 2009. The Committee thanked John Hamlin for his work.

(John Hamlin, Liaison Manager, left the meeting).

177.6 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for May 2010.

Members noted that the fall in retention continued to affect levels 2 and 3 and, in particular, that:

- At level 3 for 16-18 year old students, retention was 88.5% using the revised census date (2008: 92.8%, using the 1 November census date).
- At level 2 for 16-18 year old students, retention was 84.5% using the revised census date (2008: 88.7% using the 1 November census date)

The Committee received the Student Numbers and Funding Report for May 2010. Members noted that the College continued to be well placed to achieve all funded targets for 2009/2010 but that retention was down at levels 2 and 3, with the key additional factor as discussed at the April 2010 meeting of the Committee being the later withdrawal of students during autumn term 2009.

177.7 Health and Safety (H&S) Report

The Director of Resources, Alan Woodcock, presented the Health and Safety report.

Members noted, in particular, that:

- A recent fire drill and the evacuation of the College following a false activation of the fire alarm had both gone well generally.
- In the second case, human error at the alarm monitoring centre had, however, resulted in a call not being made to the fire brigade but this had been notified and the fire brigade had turned up at a second false alarm which had taken place at the weekend.
- The fire screen was still down in the Ash Building, following the fire drill, and the College was waiting for this to be corrected.
- The College insurers had advised settling a claim from a student who had slipped on a loose drain cover, as a similar incident had occurred in relation to the same drain several months before the current incident.

The Committee discussed action being taken in relation to the safety of drain covers, noting that:

- Premises staff had been reminded to be vigilant.
- Lockable drain covers were available but were considered impractical.

The Committee received the health and safety report for May 2010.

177.8 Finance Matters Report

(i) Monthly Accounts, including review of financial performance indicators (PIs)

The Finance Manager, Steve Rogers, presented the management accounts for April 2010, including the key performance indicators and ratios.

The management accounts for April 2010 were discussed and it was noted that after the first 9 months of the year, the College was performing better than budget with an operating and historical cost deficit of £51,600 against a budgeted deficit of £152,900 and that it was possible that the year-end outcome would be an improvement on the budgeted deficit of £96,700.

(ii) Draft budget for 2010/11

Steve Rogers spoke to the draft budget for 2010/11 which was discussed.

Members noted in discussion that:

- The draft budget projected a surplus of £17,000 for 2010/11 against a budget deficit in the 10-year financial plan approved by Governors in support of the College re-development project.
- The above improvement was due in part to the increase in grant income resulting from increased student recruitment and the fact that interest rates, although predicted to rise, remained lower than forecast in the 10-year financial plan.
- Pay inflation had been included at 1.5%, based on the latest research undertaken by the Sixth Form Colleges Forum (SFCF) amongst sixth form colleges.
- The budget included a number of new teaching and support staff posts in response to the large increase in student numbers, together with the new tutor posts introduced in 2009/10 but not envisaged in the 10-year financial plan.
- An area of uncertainty remained the effect of the triennial valuation of the East Yorkshire Pension Fund (EYPF) but any additional costs for 2010-11 should be contained due to the fact that they would not be effective until 1 April 2011.
- Non pay inflation had been included at 2.5%, with a provision made in a few areas for an increase in resources for 2010/11 above inflation.

In responses to members' questions, it was noted that:

- Utilities costs in the Oak Building would become clearer after the first year of operation.
- With reference to provision in the budget for marketing costs, the importance of ensuring the College website remained up to date and attractive to students.

The Committee agreed to recommend the draft budget for 2010/11 to Corporation.
Action: Clerk/Chair

(iii) Borrowing report: long-term interest rate movements

Steve Rogers spoke to the interest rates table showing long term interest rate movements since £2.5 million of the new loan facility for the redevelopment project was fixed in December 2008.

Members noted that:

- 50% of the loan (£1.25 million) to be drawn down had been fixed at 4.885%, with the fixed rate to commence in January 2011.
- The College was currently paying interest of 0.090% on a variable rate basis
- Cost of Funds rates had now fallen to levels similar to those seen when 50% of the loan

was fixed in December 2008.

- Recent articles in the press indicated that short-term interest rates might continue to remain at their existing levels at least until the end of 2010 and possibly into 2011, although commentators were saying that long-term rates could rise sharply, which made it difficult to predict when and if to fix all or part of the remaining amount of the loan.
- The Finance Manager's recommendation was that Committee should continue to monitor interest rates on a monthly basis.

Members discussed the desirability of leaving part of the loan unfixed to allow early repayment without incurring penalties.

The Committee received the report on long-term interest rates and agreed that the matter should be considered further at the June 2010 meeting of the Committee, with a view to a recommendation being made to the July 2010 meeting of Corporation, if considered appropriate.

Action: Clerk/SR

177.9 Strategic and Development Plan Report, including report on College property strategy

The Director of Resources gave a verbal report on the College's property strategy.

(i) Re-development project

Members noted that:

- Demolition work on the old building was progressing well, although it was now 2-weeks behind schedule due to the need to remove asbestos.
- The demolition of the Crampton Room and an ivy-covered wall had been postponed, as they contained nesting birds.

(ii) Legal agreement with the Kelvin Hall School on the use of College land and shared use of the site

Members noted that:

- Balfour Beatty, the contractors for the re-development of Kelvin Hall School were on site and work was progressing well.
- They had assured the College that they would have completed the new car park, road and fence by September 2010.
- The College was in discussion with Hull City Council concerning shared use of sporting facilities. Other issues to be included in the discussions would include issues relating to car parking, responsibility for repairing the road, the lease for the road (the College currently had a 99-year lease) and the Council's wish to obtain the College land under the sports hall freehold.

The issue of the College disposing of freehold land to Hull City Council was discussed. It was noted that, as a charity, the College had to obtain best value for money when disposing of assets. It was agreed that a report whether funding body approval was required for land disposal would be made to the June 2010 meeting of the Committee. **Action: Clerk**

(iii) Northern Academy

It was noted that discussions on the establishment of the Northern Academy were continuing.

The Committee received a progress report on the College's property strategy.

177. 10 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

It was noted that the College trip to South Africa, which would take place in July 2010, had been considered at the April 2010 meeting of the Committee. A residential visit in the UK by Business Studies students was noted.

177.11 Data Protection/Freedom of Information/Publication Scheme/ Environmental Regulations

The Committee noted that:

- It had been noted at the April 2010 meeting of the Committee that a separate freedom of information e-mail address (e.g. foi@wyke.ac.uk) would be added to the College website, to aid those making Freedom of Information (FOI) requests and ensure that they were properly directed.
- Corporation had approved the Information Commission's (ICO) model Publication Scheme for public authorities at its December 2008 meeting, with the scheme coming into effect from 1 January 2009. The scheme was currently on the Corporation section of the College website. As the model Scheme could not be altered or amended, it was agreed that the College would also produce a guide to the actual information held e.g. by producing a guide to information which listed documents or categories of document held.
- The Clerk was recommending the development of a Publication Scheme guide to information based on the guide produced by Lambeth College.
- The ICO recommends that both the model Publication Scheme and the guide to information should be available on the College website.

The Committee considered:

- The draft FOI information produced by the Clerk for the College website, with links to the College's Publication Scheme and the ICO website.
- The draft Data Protection, FOI, Publication Scheme and Environmental Regulations charging policy produced by the Clerk, noting that the text was based on extracts from relevant guidance issued by the ICO.

The Committee approved the use of the Lambeth College guide to its Publication Scheme as a template for the College's own guide and agreed that the Clerk should liaise with relevant colleagues to compile the guide.

Action: Clerk

The Committee approved the draft FOI section for the College website.

Action: Clerk/JH

It was agreed that e-mails to the College freedom of information e-mail address (foi@wyke.ac.uk) should go to the Director for Network and Information Services and the Clerk to the Corporation.

Action: Clerk/BJ

The Committee approved the draft Data Protection, Freedom of Information (FOI), Publication Scheme and Environmental Regulations charging policy for recommendation to Corporation, with the following amendment: the charge for A4/A3 black and white copies should be 10p and 25p for A4/A3 colour copies.

Action: Clerk/Chair

It was noted that the above draft policy included an annual review by the F&GP Committee and that, should the policy be approved by Corporation, this would be added to the Committee's standing agenda item list.

Action: Clerk

177. 12 Documents from the LSC, DCSF, BIS and other outside bodies

The Committee received Baker Tilly's Emerging Issues briefing for May 2010, noting that this would also be considered by the June 2010 Audit Committee.

17.13 Any other business

It was noted that there was no other business.

177.14 Risk management – items identified at the meeting

It was noted that there were no new items of risk identified at the meeting.

177. 15 Date of next meeting: Tuesday 22 June 2010 at 4.30pm

Fiona Bagchi
Clerk to the Corporation

Actions arising from F&GP Committee meeting 177 held on 25 May 2010

No.	Action for:	Action:	Status of Actions:
1*	Clerk	Report approval of revised credit card procedures under Chair of Corp.'s action and present to Corp. for ratification – <u>July 2010.</u>	On draft Corp. agenda for July 2010.
2*	Chair/Clerk	Recommend draft budget 2010/11 to Corp. – <u>July 2010.</u>	On draft Corp. agenda for July 2010.
3	Clerk/SR	Interest rates report to Committee – <u>June 2010.</u>	On agenda.
4	Clerk	Report on need for funding body approval for disposal of land – <u>June 2010.</u>	Report to be given at meeting.
5	Clerk	Use Lambeth College guide to information in publication Scheme as template for College guide – <u>June 2010.</u>	
6	Clerk/JH	Place FOI information on College website – <u>June 2010.</u>	
7	Clerk/BJ	FOI e-mail address to website with e-mails directed to BJ and Clerk – <u>June 2010.</u>	
8*	Clerk/Chair	Recommend Data Protection, FOI, Publication Scheme & Environmental Reg.s charging policy, amended as agreed, to Corp. – <u>July 2010.</u>	On draft Corp. agenda for July 2010.
9	Clerk	Annual review of Data Protection, FOI, Publication Scheme & Environmental Reg.s charging policy to F&GP standing agenda item list, if approved by Corp. – <u>July 2010.</u>	

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.



FINANCE & GENERAL PURPOSES COMMITTEE MINUTES OF MEETING 178 HELD ON 22 June 2010

Present: John Wilson (Chair), Mike Noddings (Vice-Chair), Jim Darmody, Mary-Rose Hardy, Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Bill Jackson (Director of Network and Information Systems), John Hamlin (Liaison Manager), Steve Rogers (Finance Manager), Mike Rogerson Vice-Principal (Staff and Students), Ian Taylor, (Vice-Principal, Performance Improvement), Alan Woodcock (Director of Resources)

178.1 Apologies for absence

There were no apologies.

178.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting.

178.3 Minutes of meeting 177 held on 25 May 2010.

The minutes of Finance and General Purposes (F&GP) Committee meeting 177 held on 25 May 2010 were approved.

178.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 Revised credit card procedures approved under Chair of Corporation's action would be presented to Corporation for ratification in July 2010 (177.4).
Action: Clerk/Chair
- 2 The draft budget for 2010/11 would be presented to Corporation in July 2010, as agreed (177.8).
Action: Clerk/Chair
- 3 The interest rates report was on the agenda (177.8).
- 4 A report on the need for funding body approval for the disposal of land would be considered later on the agenda at item 178.8 (177.9).
- 5 Lambeth College guide to information in its Publication Scheme would be used as template for the College guide, as agreed (177.11).
Action: Clerk

6-7 As previously agreed, a separate freedom of information (FOI) e-mail address would be added to the College website, to aid those making Freedom of Information (FOI) requests and ensure that they were properly directed, and a section on FOI would be placed on the College website, with links to the College's Publication Scheme and the ICO website (177.11).

Action: BJ/Clerk

8 The Data Protection, FOI, Publication Scheme & Environmental Regulations charging policy, amended as agreed, would be presented to the July 2010 meeting of Corporation, as agreed (177.11).

Action: Clerk/Chair

9 If the above charging policy was approved, an annual review would be added to the Committee's standing agenda item list (177.11).

Action: Clerk

178.5 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for June 2010.

The Committee received the Student Numbers and Funding Report for June 2010, noting that, as previously discussed, retention at levels 2 and 3 was lower than in 2009.

178.6 Health and Safety (H&S) Report and Environmental report

(i) H&S report

The Director of Resources, Alan Woodcock, reported that the H&S Committee June meeting has yet to take place and that the minutes of the meeting would therefore be presented to the September 2010 meeting of the Committee.

(ii) Annual Review of H&S Committee terms of reference

The Committee reviewed the H&S Committee's terms of reference, noting that while no substantive revisions were required the Director of Resources would update the section relating to receipt of the Committee's minutes by removing the redundant reference to the Resources Group and replacing the reference to minutes being placed on the staff notice board with a reference to the staff intranet.

Action: AW

(iii) Annual review of H&S Policy

(iv) Annual Review of Environmental Policy

The Committee completed its annual review of the College's H&S and Environmental policies, noting that no revisions were being recommended.

178.7 Finance Matters Report

(i) Monthly Accounts, including review of financial performance indicators (PIs)

The Finance Manager, Steve Rogers, presented the management accounts for May 2010, including the key PIs and ratios. Members discussed, in particular, the issue of staff costs to income ratio, noting that increases in income had resulted in an improvement in the ratio.

The management accounts for May 2010 were discussed and it was noted that after the first 10 months of the year, the College was performing better than budget with an operating and historical cost deficit of £113,100 against a budgeted surplus of £15,700 and that it was possible that the year-end outcome would be an improvement on the budgeted deficit of £96,700.

(ii) Borrowing report: long-term interest rate movements

(Jim Darmody joined the meeting during this item).

Steve Rogers spoke to the borrowing report with reference to the need to fix a further portion of the £2.5million loan facility for the redevelopment project.

Members noted that:

- 50% of the loan (£1.25 million) to be drawn down had been fixed at 4.885%, with the fixed rate to commence in January 2011.
- It appeared likely that short-term interest rates would continue to remain at their existing levels at least until the end of 2010 and that the position in relation to long-term rates could become clearer once reactions to the recent budget were known.
- The Finance Manager's recommendation was that updated data should be considered by the July 2010 meeting of the Corporation.

Members discussed the desirability of leaving part of the loan unfixed to allow early repayment without incurring penalties e.g. fixing a further £500,000.

The Committee received a report on long-term interest rates and agreed that an updated report should be presented to the July 2010 meeting of the Corporation.

Action: SR/Clerk

The Committee agreed to recommend that Corporation should delegate the power to fix a further portion of the loan during the summer vacation period should this be considered advantageous e.g. delegation to the Finance Manager to fix a further portion of the loan following approval by the senior management team, Chair and Vice-Chair of Corporation.

Action: Chair

(iii) Draft 3-Year Financial Plan, financial PIs & objectives and final health assessment

The Committee noted that the draft budget for 2010/11 had been approved for recommendation to Corporation at the Committee's May 2010 meeting. Members noted in discussion:

- The potential effect of the Government's budget on the College's plans e.g. in relation to partial VAT exemption, the removal of the expected 1% increase in employer's national insurance contributions.
- The pay freeze in the public sector and ongoing pay negotiations by the Sixth Form Colleges Forum (SFCF), noting that the College's draft budget included a 1.5% increase in pay expenditure.

The Committee discussed the College's 3-year financial plan, noting that:

- The draft plan, financial PIs and objectives, and final health assessment would normally be presented to the July Corporation meeting for approval.
- The Finance Manager had, however, reported that, as he had received no information from the Young People's Learning Agency (YPLA) or Skills Funding Agency (SFA) on the format of the 3-year plan, it had yet to be produced.
- Approval of the plan could not be delegated by Corporation.

The Committee agreed that if the draft 3-year financial plan could not be submitted by the Finance Manager to the Corporation for approval at its July 2010 meeting, it should be submitted by the College to the relevant regulatory body by 31 July 2010 (using the previous year's spreadsheet if necessary) but it should be made clear on submission that it would not be brought to Corporation for approval until September 2010.

Action: SR/Chair

178.8 Strategic and Development Plan Report, including report on College property strategy and arrangements for establishing the West Hull Co-operative Trust

The Principal and Director of Resources gave a report on the College's property strategy and strategic partnership arrangements.

(i) Recommendation on West Hull Co-operative Trust arrangements

The Principal spoke to the report on the proposal that the College should become a partner in the proposed West Hull Co-operative Trust.

Members noted that:

- Kelvin Hall and Sydney Smith School had been in discussions with a number of potential partners, including the College, about becoming a trust since June 2009.
- It was proposed that, from 1 November 2010, the schools would move from being community schools to foundation schools and would also acquire a charitable trust, the West of Hull Co-operative Learning Trust which would be a Co-operative Membership Trust.
- The two schools, supported by the Trust, would use new and innovative ways of engaging with the wider community in order to improve attainment for the students and services for their families.
- The two schools would continue to be part of the Hull Local Authority family of schools, but would have the opportunity to be supported by a Charitable Trust set up to improve standards both in the schools and across the wider community.
- The schools proposed partners in the Trust were: the Co-operative Group, Wyke Sixth Form College, Hull College and the University of Hull.
- As part of the proposed Trust, Wyke Sixth Form College would provide expert curriculum advice that would ensure the development of a continuously appropriate curriculum match between pre-16 and post-16 and would also provide support in order to accelerate the progression rate of all students by an explicit focus on ensuring a shared understanding and use of assessment data and by providing successful students as role models that would raise the aspirations within the schools and help to reduce those not in employment, education or training (NEETS) post-16. The College would also provide opportunities for students from the two schools to work with post-16 students in different projects and would continue to work closely with Kelvin Hall School to develop the benefits of the shared campus.
- It was proposed that the College would provide one Trustee for the Trust Board.
- The proposal would enable the College to forge stronger links with key partner schools.

The Committee agreed to recommend to Corporation that Wyke Sixth Form College should become a partner in the proposed West Hull Co-operative Learning Trust, providing one trustee for the Trust Board.

Action: Clerk/Chair

(ii) Northern Academy

Members received a verbal report from the Principal and Director of Resources on discussions relating to the establishment of the Northern Academy, noting that a meeting would be held shortly between the Hull BSF team and the team of architects for the Academy to discuss designs.

(iii) Re-development project

The Director of Resources gave a verbal report on the College re-development project.

Members noted in discussion that:

- Work on the resolution of minor snags in the Oak Building was continuing.
- The Crampton Room had now been demolished.
- Work was, however, now 3-4 weeks behind schedule, as a result of delays in demolition and the removal of asbestos.
- The College and contractors were working together to ensure that the project would be completed for the start of the new term.
- Some improvements to the hard landscaping were being considered e.g. capping the walls with granite to protect the tiles below, replacement of timber decking with concrete timber wood.
- Costs were close to budget.

The Committee received a verbal progress report on the College re-development project.

(iv) Report on legal arrangements with Kelvin Hall School

Members considered the report from the Director of Resources on the approval of legal arrangements with Hull City Council concerning Kelvin Hall School, noting that:

- The development of Kelvin Hall Sports Hall in 2007 resulted in the creation of three legal agreements that superseded the 1993 deeds in part i.e.
 - a shared use agreement which gave the College use of Kelvin sports facilities in return for use of the College library by Kelvin Hall students,
 - a 50 year lease for two packages of land to enable the construction of the Kelvin Hall Sports Hall and Multi-Use Games Area (MUGA), and
 - a 99-year lease giving a right of way for the College over the newly created access road from Bricknell Avenue, with the College having responsibility for 70% of the access road's maintenance costs.

Members noted that as Hull Building Schools for the Future (BSF) were rebuilding Kelvin Hall School, discussions had taken place between the College, School and Hull City Council to develop new legal arrangements which would supersede the 1993 deeds and the 2007 agreements.

Members noted that it was proposed that the College should enter into the following agreements with Hull City Council:

- A new shared use agreement relating to use of sports facilities and the removal of the School's right to use the College library, which was no longer required.

- A grant of the freehold of the land currently leased to the City Council for the footprint of the existing Sports Hall and a further area to be granted freehold for the construction of a portion of the new school.
- The former right of way agreement relating to the access road from Bricknell Avenue would be varied so that the College would only contribute 50% to the cost of maintenance of the access road.
- As part of the BSF project, it was proposed that an area of land previously leased by the College for the building of the School's MUGA should be returned to the College as a car park at the expense of the City Council.
- The College would grant a right of way across its land to allow Kelvin Hall pupils to pass over the newly constructed path from the Grammar School Road pedestrian entrance to Kelvin Hall, noting in response to members' queries that this would not be a public right of way.
- The College believed that the package of agreements detailed above not only provided the College with additional resources at no monetary expense but forged stronger links with a key partner school and would provide an exceptional educational campus for future generation of students.

It was noted, in response to members' queries, that it was not intended that a shared car parking agreement between the School and College should be included in the legal agreement but that there would be a shared databases of permit-holders and that the needs of the two institutions would be reviewed annually.

Members received relevant extracts from the Learning and Skills Council (LSC) Financial Memorandum and a briefing from Eversheds on Corporation's responsibilities as charity trustees in relation to the disposal of assets, noting that the proposal as stated in the report appeared compliant and that funding body approval was not required.

Members discussed the implications for accounting purposes of the proposed land transfer, noting that as it would take place after 31 July 2010, it was expected to appear as a note to the accounts for the year ending 31 July 2010.

Following queries from members, it was agreed that the College would seek confirmation from Hull City Council that the College's right of way over the access road from Bricknell Avenue was in perpetuity and without restrictions before the proposal on the new legal arrangements was presented to the July 2010 meeting of Corporation.

Action: AW

Subject to resolution of the above query, the Committee agreed to recommend to Corporation that the College should agree to proceed with the proposed development of new legal arrangements between the College and Hull City Council in relation to the College and School sites.

Action: Clerk/ Chair

178.9 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal reported that, as previously discussed, the College trip to South Africa would take place 11-21 July 2010. The Committee noted that three students from Brooksby Melton College had recently been killed in a bus crash in South Africa. It was noted that risks relating to road travel in South Africa had been included in Wyke's risk assessment for the trip and explained to parents and that no students had asked to withdraw from the trip following the recent tragedy.

The Principal's report on overseas and residential visits was received.

178.10 Any other business

It was noted that there was no other business.

178.11 Risk management – items identified at the meeting

The following risk identified at the meeting was noted: the legal agreement relating to the College access road.

178.12 Date of next year's meetings

It was noted that dates for the Committee's meetings in 2010/11 would be e-mailed to members.

Action: Clerk

Fiona Bagchi
Clerk to the Corporation
18 August 2010

Actions arising from F&GP Committee meeting 178 held on 22 June 2010

No.	Action for:	Action:	Status of Actions:
1*	Clerk	Report approval of revised credit card procedures under Chair of Corp.'s action and present to Corp. for ratification – <u>July 2010.</u>	Done. Ratified by Corp. at its July 2010 meeting.
2*	Chair/Clerk	Recommend draft budget 2010/11 to Corp. – <u>July 2010.</u>	Done. Approved by Corp. at its July 2010 meeting.
3	Clerk	Use Lambeth College guide to information in publication Scheme as template for College guide – <u>July 2010.</u>	<i>Clerk to give progress report at the meeting.</i>
4-5	Clerk/JH	Place FOI information on College website & FOI e-mail address to website with e-mails directed to BJ and Clerk – <u>July 2010.</u>	Done.
6*	Clerk/Chair	Recommend Data Protection, FOI, Publication Scheme & Environmental Reg.s charging policy, amended as agreed, to Corp. – <u>July 2010.</u>	Done. Approved by Corp. at its July 2010 meeting.
7	Clerk	Annual review of Data Protection, FOI, Publication Scheme & Environmental Reg.s charging policy to F&GP standing agenda item list, if approved by Corp. – <u>July 2010.</u>	Done. The Committee's standing agenda item list has been updated as agreed at the July 2010 meeting of Corporation.
8	AW	Make minor amendments to H&S Committee reporting arrangements as detailed in its terms of reference – <u>July 2010.</u>	Done.
9	SR	Updated interest rates report to Corp. – <u>July 2010.</u>	Done. Report considered at July 2010 meeting of Corp.

No.	Action for:	Action:	Status of Actions:
10*	Chair	Recommend to Corp. that delegate power to fix a further portion of loan over summer vacation, if to College's advantage to do so – July 2010.	Done. Corp. agreed to delegate to SR power to fix a further portion of the loan subject during summer vacation to discussion with Chair & RTS and their agreement that it would be in the College's interests to do so.
11*	SR	If draft 3-year financial plan could not be submitted to Corp. for approval at their in July 2010 meeting, it should be submitted to the relevant regulatory body by 31.7.10 but made clear that it would not be brought to Corp. for approval until Sept. 2010 – <u>July & Sept. 2010</u>	<i>Agreed at July 2010 meeting of Corp. that draft 3-year financial plan should be submitted to relevant regulatory body by 31.7.10 and that the plan should be presented to the Sept. 2010 meeting of Corp. for approval.</i>
12*	Clerk/Chair	Recommend to Corp. that College become a partner in the proposed West Hull Co-operative Learning Trust, providing one trustee for the Trust Board – <u>July 2010.</u>	Done. Approved by Corp. at its July 2010 meeting.
13*	AW	Seek confirmation before July 2010 Corp. from Hull City Council that the College's right of way over the access road from Bricknell Avenue was in perpetuity and without restrictions – <i>July 2010.</i>	Done. AW confirmed at July 2010 Corp. meeting that College's right of way over the access road from Bricknell Avenue would be in perpetuity and without restrictions.
14*	Clerk/Chair	Subject to resolution of the above query, recommend to Corp. that agree to proceed with the proposed development of new legal arrangements between the College and Hull City Council in relation to the College and Kelvin Hall School sites – <u>July 2010.</u>	Corp. approved at its July 2010 meeting the proposal the College should proceed with the development of new legal arrangements.

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.

**FINANCE & GENERAL PURPOSES COMMITTEE
MINUTES OF MEETING 179 HELD ON 21 September 2010**

Present: John Wilson (Chair), Mike Noddings (Vice-Chair), Jim Darmody, Mary-Rose Hardy, Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Mike Rogerson Vice-Principal (Staff and Students), Ian Taylor, (Vice-Principal, Performance Improvement), Alan Woodcock (Director of Resources)

179.1 Apologies for absence

There were no apologies.

179.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting.

179.3 Election of Chair and Vice-Chair

The Clerk reported that under Corporation's Standing Orders, Committees elected Chairs and Vice-Chairs at the first meeting of the autumn term.

Mary-Rose Hardy proposed John Wilson as Chair of the F&GP Committee. The proposal was seconded by Richard Smith.

John Wilson was elected Chair of the Finance & General Purposes Committee unopposed.

Mary-Rose Hardy proposed Mike Noddings as Vice-Chair of the F&GP Committee. The proposal was seconded by Richard Smith.

Mike Noddings was elected Vice-Chair of the Finance & General Purposes Committee unopposed.

179.4 Minutes of meeting 178 held on 22 June 2010.

The minutes of Finance and General Purposes (F&GP) Committee meeting 178 held on 22 June 2010 were approved.

179.5 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 The College's revised credit card procedures had been ratified by Corporation at its July 2010 meeting (178.4).
- 2 Corporation had approved the budget for 2010/11 at its July 2010 meeting, on the recommendation of the Committee (178.4).
- 3 A report on the development of the guide to information in the College's Publication Scheme would be given later on the agenda(178.4) .
- 4-5 A new Freedom of Information (FOI) section had been placed on the College's website, together with a dedicated FOI e-mail address, as agreed (178.4).
- 6 Corporation had approved the College's Data Protection, FOI, Publication Scheme and Environmental Regulations charging policy at its July 2010 meeting, on the recommendation of the Committee(178.4) .
- 7 It was noted that, as agreed, an annual review of the above policy had been added to the Committee's revised standing agenda item list, which would be considered later on the agenda(178.4) .
- 8 Minor amendments had been made to the Health and Safety (H&S) Committee reporting arrangements as detailed in its terms of reference, as agreed (178.6).
- 9 An updated interest rates report had been made to the July 2010 meeting of Corporation, as agreed (178.7).
- 10 Corporation agreed at its July 2010 meeting, on the recommendation of the Committee, to delegate to the Finance Manager the power to fix a further portion of the loan during the summer vacation, subject to discussion with Chair and the Principal and their agreement that it would be in the College's interests to do so. It was noted that as there had not been any significant increase in long-term interest rates during the summer vacation, it had not been necessary for this delegated power to be used (178.7).
- 11 It had been agreed at the July 2010 meeting of Corporation that the draft 3-year financial plan should be submitted to the relevant regulatory body by 31.7.10 and that the draft plan would be presented to the September 2010 meeting of Corporation for approval. It was noted that the draft 3-year plan was on the agenda for consideration on recommendation to Corporation (178.7).
- 12 The July 2010 meeting of Corporation had agreed, on the recommendation of the Committee, that the College should become a partner in the proposed West Hull Co-operative Learning Trust, providing one trustee for the Trust Board (178.8).
Action: Chair/RTS
- 13 The Director of Resources had reported at the July 2010 Corporation meeting that Hull City Council had confirmed the College's right of way over the access road from Bricknell Avenue would be in perpetuity and without restrictions (178.8).
- 14 Corporation has approved at its July 2010 meeting, on the recommendation of the Committee, the proposal that the College should proceed with the development of new legal arrangements between the College and Hull City Council in relation to the

College and Kelvin Hall School sites (178.8).

15 The Clerk had e-mailed 2010/11 meeting dates to members, as agreed (178.12).

176.6 Annual review of confidential minutes

It was noted that the Committee had produced no confidential minutes during 2009/10.

179.7 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for September 2010.

(i) Funding: academic year 2009/2010

Members noted that:

- The College had achieved 104% of its allocated funding for 2009/10, having exceeded funding and SLN targets for students aged 16-18 and funding targets for adult learners.
- With reference to funding allocations for adult learners, it was noted that funding for adult provision has been cut year on year by the LSC and much of the College's 2010-2011 allocation would be used to cover the cost of educating students aged 19 who were entering a second year of a mainstream LSC programme.

(ii) Performance: academic year 2009/2010

Members considered the student retention, achievement and success figures for 2009/2010 at appendix 2 of the student numbers and funding report and received a presentation from Ian Taylor (Vice-Principal, Performance Improvement) on initial performance data.

Members noted in discussion that:

- Success rates at level 3 had fallen in 2009/10 to 77.7% (2008/09: 82.8%, 2007/08: 80.7%), both because of the fall in retention previously noted by the Committee and because of a fall in achievement, particularly on AS courses.
- It was noted that the fall in achievement at AS was in part as a result of assessment criteria having changed in some subjects in 2008/09 and, where the same effect had been noted for 2 years, action already taken included more stringent entry criteria to relevant subjects in 2010/11.
- Subjects affected included psychology (which had a large number of students) and sociology and removing these subjects from the 2009/10 data increased success rates to 81.5%, with similarly adjusted data for 2008/09 and 2007/08, 83.7% and 80.1% respectively.
- Value-added in psychology had also fallen in 2009/10.
- Actions were being taken to remedy the above situation and data for 2009/10 would be considered in more detail by the October and November 2010 meetings of Corporation's Curriculum and Quality Committee.

(iii) Academic Year 2010/11

Members noted that:

- Enrolment for 2010/2011 had been successful, with the College having enrolled 1,263 16-18 year olds against a funded target of 1,189 and the College was therefore well placed to exceed its allocation at the six week census point for funding.
- 22 full-time adult students had been enrolled, of whom 19 were aged between 19 and 21 and were typically undertaking the second year of a 2-year programme.

The Committee received the Student Numbers and Funding Report for September 2010, noting with reference to 2009/10 that the College had achieved 104% of its funding allocation but that success rates had fallen to 77.7% and, with reference to 2010/11, that the College had exceeded its funded enrolment target.

179.8 Health and Safety (H&S) Report

The Director of Resources, Alan Woodcock, presented the H&S Committee minutes of June 2010.

Members noted in discussion that:

- A Powerpoint presentation had been produced which demonstrated new routes to the Fire Assembly Point and a fire drill would be held during the autumn term.
- Risk assessments had been produced for departments but 4 had still to be signed and returned.
- With reference to the speed at which students rode motor bikes on campus, that a new sign stating a 5 mile per hour limit had been ordered.

The Committee received the Health and Safety Committee minutes for June 2010 and agreed that the speed limit on site should be advertised on the College's plasma screens.

Action: AW

Members expressed their concern that there were still 4 departmental risk assessments outstanding and agreed that details of the departments concerned should be presented to the Committee's October 2010 meeting, if any risk assessments remained to be returned.

Action: AW

179.9 Recommendation on 3-year financial plan 2010 – 2013, financial objectives, and financial health category

The Finance Manager, Steve Rogers, presented the 3-year financial plan 2010 – 2013, financial objectives, and financial health category.

Members noted that:

- The Finance Manager had reported to the July 2010 meeting of Corporation that, as he had received no information from the YPLA or Skills Funding Agency (SFA) on the format of the 3-year plan, only the budget for 2010/11 had been produced for approval by Corporation.
- The attached 3-year plan had therefore been considered by the senior management team and submitted to the local authority by the deadline of 31 July 2010 (and later to the YPLA), subject to approval by Corporation at its September 2010 meeting.

Members considered the commentary to the plan, the financial objectives and the following schedules from the plan: 1 - 4, 1a to 1e and 4 (Financial Health).

Members noted that the financial forecasts for the period 2010 – 2013 had been produced in line with the Strategic and Development Plan of the College, with the following key assumptions used in its development:

- The forecasts included baseline YPLA and SFA funding in 2010/11 in accordance with allocations and, in order to build in anticipated efficiency gains, no increase in funding rates and the provider factor over the planning period.
- 16 – 18 learner numbers had been assumed to increase by 86 in 2011/12 and by 25 in 2012/13.

- Further reductions in funding for students aged 19+ had been assumed but, as the College did not have large numbers of students in this category, the overall effect was not material.
- Income from LSC successor bodies was planned to reduce over the period of the plan, although it was anticipated that Discretionary Learner Support Funds would continue at their current level.
- With reference to other income, the small amount of teaching undertaken by the College on behalf of one of its partner schools was planned to continue at current levels but funding for the FESCO co-ordinator and a project with the University of Hull were expected to end in 2011.
- Increases in pay expenditure had been included at 1.5% for 2010/11 and 1.0% for 2011/12 and 2012/13 and for non-pay expenditure at 2.5% for 2010/11 and 2.0% for 2011/12 and 2012/13.
- Increase over and above inflation had been made in the following areas: teaching and administration as a result of increased student numbers, premises running costs as a result of anticipated increases in utility costs, premises maintenance costs as a result of the need to start maintaining the new buildings in the next 2-3 years.
- The College's revolving credit facility of £2.5 million to finance its contribution to the cost of the Ash and Oak buildings would convert to a term loan of 22 years in January 2011. Funds drawn down to date were incurring interest at 0.9%, with £1.25 million of the loan forward fixed at a rate of 4.885% from January 2011 and the remaining £1.25 million on a variable basis (assumed in the plan to be 2.0% in 2011/12 and 2.5% in 2012/13).

Members noted in discussion that:

- As the YPLA had issued no guidelines on funding rates to colleges in preparation for producing the 3-year plan, institutions were preparing their financial forecasts based on varying assumptions.
- The College had been conservative in setting its 3-year plan and had assumed no increases in funding rates for 16-18 year old learners or in provider factor.
- It was possible that the plan might have to be re-forecast after the Government's October 2010 Comprehensive Spending Review.
- Areas of concern included YPLA funding rates, as 96% of the College's funding was from the YPLA, and pay awards.

Members considered the College's financial health category, noting that:

- In recent years the LSC had accepted that it had been appropriate for the College to moderate its financial health category to Satisfactory whilst the capital project has been taking place.
- This had not been necessary in the current financial forecast as the automated financial health of the College was now shown to be Satisfactory in 2010 and 2011 improving to Good in the last two years of the plan.

The Committee agreed to recommend the draft 3-year financial plan to Corporation for approval.

Action: Clerk/Chair

The Committee agreed to recommend the draft financial objectives to Corporation for approval and the continued use of the key performance indicators and ratios in the management accounts.

Action: Clerk/Chair

The Committee agreed to draw Corporation's attention to the fact that the College's automated health category was shown as Satisfactory in 2010 and 2011 improving to Good in the last two years of the plan.

Action: Clerk/Chair

179.10 Report on the 2009/10 accounts

The Finance Manager spoke to the report on the reconciliation of the operating surplus for 2009/10.

Members noted that:

- The accounts for the year ended 31 July 2010 were still subject to audit but the operating surplus excluding Financial Reporting Standard (FRS)17 adjustments was expected to be in the region of £57,737.
- Key variances from budget included:
 - LSC recurrent funding higher than budget by £21,000.
 - LSC capital funding lower than budget by £154,169, due to the timing of payments.
 - Trading income higher than budget by £31,870.
 - Non-pay expenditure lower than budget by £27,037, as a result of the need for a lower than predicted subsidy of the College bus service during the summer term 2010.
 - Staff costs lower than budget by £92,057, as the nationally agreed pay award was lower than expected.
 - Depreciation lower than budget by £114,435, due to capital grants.
 - Interest on loans lower than budget by £43,540.

The Committee received a report on the unaudited accounts for the year ended 31 July 2010, noting that the operating surplus, excluding FRS17 adjustments, was expected to be in the region of £57,737.

179.11 Borrowing update

The Finance Manager spoke to the borrowing report with reference to the need to fix a further portion of the £2.5 million loan facility for the redevelopment project.

Members noted that:

- 50% of the loan (£1.25 million) to be drawn down had been fixed at 4.885%, with the fixed rate to commence in January 2011.
- Cost of funds showed a small increase since the previous month but still remained below the level at which the first 50% of the loan had been fixed.
- Commentators considered that short-term interest rates should continue to remain at their existing levels at least until the end of 2010 and possibly into 2011, although long-term rates could rise sharply.

The Committee received a report on long-term interest rates and agreed that the Committee would not recommend that a further portion of the loan should be fixed at the present time but would continue to monitor interest rate movements.

Action: SR/Clerk

179.12 Annual pension report

The Finance Manager presented the report on the actuarial valuation for FRS 17 Purposes as at 31 July 2010 for the East Riding of Yorkshire Pension Fund, the pension scheme for the College's support staff.

Members noted that:

- The actuary made assumptions annually based on projected price increases together with mortality rates for existing staff, pensioners and deferred members of the scheme and used these figures to provide an estimate of the schemes liabilities at the year end.

When compared to the value of the schemes assets, this allowed the actuary to show the estimated value of the Colleges share of the overall surplus or deficit of the scheme

- There had been a small reduction in the College's share of the overall scheme deficit from £1.170 million as at 31 July 2009 to £1.112 million at 31 July 2010.
- The above reduction in the College's share of the deficit was as a result of the Government's decision to change the way pensions in payment and deferred pensions were up-rated for inflation i.e. the new arrangement used the CPI (Consumer Price Index) rather than the RPI (Retail Price Index) for public sector pensions.
- The College's financial statements auditors, Baker Tilly, had been asked to comment on the assumptions to be used for the year to 31 July 2010 and had raised no objections.

The Committee received the actuarial report on the actuarial valuation for FRS 17 Purposes as at 31 July 2010 for the East Riding of Yorkshire Pension Fund, the pension scheme for the College's support staff, noting a small reduction in the College's share of the scheme's deficit as a result of the Government's decision to up-rate public sector pensions for inflation using the CPI (Consumer Price Index) rather than the RPI (Retail Price Index).

The Committee agreed that the report should be presented to Corporation.

Action: Clerk/Chair

179.13 Report on compliance with tendering procedures

The Finance Manager presented the tender report for 2009/10, reporting that tender exercises had been undertaken for furniture, network switchgear and PCs for the Oak Building.

In response to members' questions, it was noted that the spread of tenders had been within the expected range.

The Committee received the 2009/10 tendering report.

179.14 Strategic and Development Plan Report, including report on College property strategy

The Principal and Director of Resources gave a verbal report on the College's property strategy and strategic partnership arrangements.

(i) Strategic Plan: enrolment and success rates

It was noted that a report on enrolment and success rates had been considered at item 179.7 above.

(ii) Re-development project

The Director of Resources gave a report on the College re-development project.

Members noted in discussion that:

- The project had been completed on time and temporary coping was currently in the process of being replaced before the Grand Opening on 1 October 2010.
- Snagging was on track to be completed within the next half-term.
- Early indications were that the project would be on budget.
- The College was awaiting planning permission for the new College sign.
- The Grammar School Road entrance had been converted for use by pedestrians and cyclists. The College wished to put a dropped kerb on Grammar School Road to aid cyclists and the architect and contractors were in discussion with Hull City Council, on the College's behalf, concerning a proposal that the College should also put a dropped kerb on Knaption Avenue.

- Building contractors, Hobson and Porter, had donated £6,000 for a feature to be included as part of the re-development and the College was considering commissioning a sculpture from an arts commissioning company.

In response to members' queries, it was noted that:

- The Director of Resources and the Finance Manager would develop a 10-year rolling maintenance and capital equipment plan for the Wilson, Ash and Oak Buildings, to be included in future budgets and financial forecasts from 2011/12 onwards.
- The Director of Resources expected the cost of maintaining the new electrical and mechanical plant to be significant and would research the most cost-effective solutions.

Members considered the schedule for the Grand Opening of the College on 1 October 2010, noting that:

- The event would begin at 12.30pm and those attending would be taken on a tour of the College in small groups by students and staff.
- There would be speeches at 2.30pm and the formal opening ceremony would be performed by the Vice-Chancellor of the University of Hull, Professor Calie Pistorius., with Les Walton, Chair of the YPLA, in attendance.
- There would be refreshments in the refectory and the opportunity for people to socialise after the formal ceremony.

(iii) Report on legal arrangements with Kelvin Hall School and on BSF

The Principal and Director of Resources reported that:

- The new legal agreements between the College and Hull City Council, on behalf of Kelvin Hall School, had been signed.
- New fences dividing the School and College sites were now in place.
- The re-development of the School under Building Schools for the Future (BSF) was now underway.

(iv) Northern Academy

The Principal reported that the sponsorship agreement for the northern Academy was expected to be signed in October 2010.

179.15 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal reported that:

- The College visit to South Africa had been very successful and a presentation would be made to the September 2010 meeting of Corporation. The Assistant Principal was considering the possibility of taking further groups of students to South Africa in the future.
- The biennial Barntrop exchange would take place in March 2011 and the School's Head would attend the College's grand opening on 1 October 2010 and would present a Linden tree to the College.

The Principal's report on overseas and residential visits was received.

179.16 Committee matters

(i) F&GP Committee checklist and Performance Indicators for 2009/10

The Committee completed its 2009/10 performance checklist, noting that the Committee was 100% compliant, and agreed that its 2009/10 performance indicators should be presented to the October 2010 meeting of the Committee.

Action: Clerk

- (ii) Annual review of terms of reference and standing agenda item list

The Committee approved minor updating changes to the Committee's terms of reference and standing agenda item list for recommendation to the Corporation.

Action: Clerk/Chair

- (iii) Annual review of Eversheds' Governance Subscription Plus service

The Committee noted that the increase in the Eversheds' Governance Plus subscription for the 2010/11 academic year was within the limit agreed by the Committee, and that payment had therefore been authorised by the Clerk as Corporation budget-holder.

- (iv) Verbal progress report on development of Publication Scheme guide

The Committee noted that the Publication Scheme guide was being developed with reference to the latest guidance from the ICO and with reference to the Lambeth College guide and would be presented to the October 2010 meeting of the Committee.

Action: Clerk

179.17 Documents from outside bodies

- (i) YPLA – Simplifying Funding letter, 21.7.10

Members received the above letter from the Chief Executive of the Young People's Learning Agency (YPLA) noting that:

- The Secretary of State for Education had
 - reaffirmed the local authority role in securing 16-19 education and opportunities for young people, as part of their wider strategic role in education but
 - asked the YPLA to fund general FE and Sixth Form Colleges, HEIs and other providers for 16-19 provision directly from 2010/11 onwards, rather than funds being directed through local authorities.
- The YPLA was now funding the College to the profile for 2010/11 previously agreed but the new commissioning and funding framework had yet to be published.
- The new lagged system of funding would mean that colleges would in future be funded based on the previous year's allocation, which was less advantageous for colleges that were growing than the current system, which allowed for growth in addition to the current year's numbers.

- (ii) Freeth Cartright briefing note on FOIA enforcement by ICO

Members received a briefing note from solicitors Freeth Cartwright on the Information Commissioner's Office (ICO) policy on the use its powers to enforce the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 (EIR) and their supporting codes of practice, including the code of practice on the maintenance of public records.

It was noted that:

- the policy set out the ICO's approach to any public authority which did not meet expected standards including its intention to take "purposeful regulatory action" where appropriate, with prime targets being those authorities whose conduct demonstrated disregard for the FOIA / EIR, rather than isolated lapses.

Members received a letter from the Chief Executive of the Young People's Learning Agency (YPLA) on simplifying funding and a briefing note on the policy

of the Information Commissioner's Office (ICO) on enforcement of compliance with the requirements of the Freedom of Information Act and the Environmental Information Regulations and their associated codes.

179.18 Items deferred to subsequent meetings

It was noted that the annual security report and the annual review of the Financial Regulations had been deferred to the October and November 2010 meetings of the Committee respectively.

Action: Clerk/AW/SR

179. 19 Any other business

It was noted that there was no other business.

179.20 Risk management – items identified at the meeting

There were no new items of risk identified at the meeting.

179.21 Date of next meeting

It was noted that the Committee would next meet on Tuesday 19 October 2010 at 4.30pm.

Mike Noddings gave his apologies for the meeting on 19 October 2010.

Fiona Bagchi
Clerk to the Corporation
15 October 2010

Actions arising from F&GP Committee meeting 179 held on 21 September 2010

No.	Action for:	Action:	Status of Actions:
1	Chair/RTS	College should become a partner in the proposed West Hull Co-operative Learning Trust, providing one trustee for the Trust Board – <u>autumn 2010</u> .	<i>Report to be given at the meeting.</i>
2	AW	Speed limit on site should be advertised on the College's plasma screens – <u>Oct. 2010</u>	<i>Report to be given at the meeting.</i>
3	AW	Details of departments not completing risk assessments to be presented to the Committee's <u>Oct. 2010</u> meeting.	<i>Report to be given at the meeting.</i>
4-5*	Clerk/Chair	Recommend the draft 3-year financial plan to Corp. for approval – <u>Sept. 2010</u> .	Done. Approved by Corp. at its Sept. 2010 meeting.
6*	Clerk/Chair	Recommend draft financial objectives to Corp. for approval & continued use of the key performance indicators and ratios in the management accounts – <u>Sept. 2010</u> .	Done. Approved by Corp. at its Sept. 2010 meeting.
7*	Clerk/Chair	Draw Corp.'s attention to the fact that the College's automated health category was shown as Satisfactory in 2010 and 2011 improving to Good in the last two years of the plan – <u>Sept. 2010</u> .	Done. Approved by Corp. at its Sept. 2010 meeting.
8	Clerk/SR	F&GP to continue to monitor interest rate movements – <u>Oct. 2010 & ongoing</u> .	On agenda.
9*	Clerk/Chair	Pension report should be presented to Corp. accounts – <u>Sept. 2010</u> .	Done. Presented to Corp. at its Sept. 2010 meeting.
10	Clerk	2009/10 performance indicators to be presented to the <u>Oct. 2010</u> meeting of F&GP.	On agenda.
11*	Clerk/Chair	Present minor updating changes to F&GP terms of reference and standing agenda item list to Corp. for approval – <u>Sept. 2010</u> .	Done. Approved by Corp. at its Sept. 2010 meeting.
12	Clerk	Publication Scheme guide to the <u>Oct. 2010</u> meeting of F&GP.	On agenda.
13	Clerk/AW/SR	Security report & review of the Financial Reg.s to <u>Oct. & Nov. 2010</u> meetings of F&GP.	Security report on agenda. <i>Review of Financial Reg.s to Nov. 2010 meeting.</i>

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.



FINANCE & GENERAL PURPOSES COMMITTEE MINUTES OF MEETING 180 HELD ON 19 October 2010

Present: John Wilson (Chair), Jim Darmody, Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Mike Rogerson Vice-Principal (Staff and Students), Ian Taylor, (Vice-Principal, Performance Improvement), Alan Woodcock (Director of Resources)

180.1 Apologies for absence

There were apologies from Mike Noddings, Vice-Chair of the Committee, and from Mary-Rose Hardy, a member of the Committee.

180.2 Declarations of interest

There were no declarations of interest.

180.3 Minutes of meeting 179 held on 21 September 2010.

The minutes of Finance and General Purposes (F&GP) Committee meeting 179 held on 21 September 2010 were approved.

180.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 With reference to the College becoming a partner in the proposed West Hull Co-operative Learning Trust, providing one trustee for the Trust Board, it was noted that the public notice concerning the formation of the Trust would be displayed outside Kelvin Hall School shortly. The Trust document was expected to be signed on the expiry of the notice period (179.5).
- 2 A notice concerning the speed limit on site had been erected. It was not considered that advertising on the College's plasma screens would add anything to this. The Director of Resources would speak to any students not observing the limit, as the most effective way to address the issue (179.8).
- 3 All departmental risk assessments had been completed (179.8).
- 4-5 The 3-year financial plan had been presented to the September 2010 meeting of Corporation and approved, on the recommendation of the F&GP Committee (179.9).
- 6 Corporation has agreed at its September 2010 meeting to approve the financial objectives included with the plan and the continued use of the key performance

indicators and ratios in the management accounts, on the recommendation of the F&GP Committee (179.9).

- 7 Corporation's attention had been drawn at its September 2010 meeting to the fact that the College's automated health category was shown as Satisfactory in 2010 and 2011 improving to Good in the last two years of the plan, as agreed (179.9).
- 8 A borrowing update was on the agenda (179.11).
- 9 The pension report had been presented to the September 2010 meeting of Corporation, as agreed (179.12).
- 10 The Committee's performance indicators for 2009/10 would be considered later on the agenda (179.16).
- 11 The September 2010 meeting of Corporation had approved minor updating changes to the F&GP Committee's terms of reference and standing agenda item list, on the recommendation of the Committee (179.16).
- 12 The draft Publication Scheme guide was on the agenda (179.16).
- 13 The annual College Security Report was on the agenda. The annual review of the Financial Regulations would be presented to the November 2010 meeting of the Committee (179.18).

Action: SR

180.5 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for October 2010.

Members noted that:

- The first ILR run of the year had been carried out using the new Corero REMS student record system.
- The College currently had 1,241 16-18 year old students against a target of 1,189, which meant that the College had significantly exceeded its funding and Standard Learner Numbers (SLNs) allocations
- Although there were still some 16-18 year old student withdrawals and transfers to process which would reduce the SLN figure, further activity would be added later in the year as students progressed to A2 General Studies, started Extended projects and as vocational students progressed from Subsidiary Diploma to Diploma and Extended Diploma programmes.
- The target for Adult Learner Responsive provision, including students aged 19+ studying for a second year, was expressed purely as SLNs, with the College currently below its SLN allocation by 10% (approximately 3-4 SLNs) which would not be made up later in the year.

Members discussed the College's allocation of Standard Learner Numbers (SLNs) and Additional Learning Support (ALS) for students aged 19+ and agreed that the Director of Network and Information Systems would review the figure of £11,135 "SLN rate co-funded" for adult students shown in the report to ensure that it was correct.

Action: BJ

The Committee received the Student Numbers and Funding Report for October 2010, noting that the 6 week census date for courses would fall later in the

current week and that more accurate predictions of student retention for the year should be available at the November 2010 meeting of the Committee.

180.6 Health and Safety (H&S) and Security Reports

The Director of Resources, Alan Woodcock, presented the H&S Committee minutes of September 2010 and the annual security report.

(i) H&S minutes

Members noted in discussion that:

- A PowerPoint presentation providing students with fire drill information had been provided for tutor groups and Debbie Darmody was ensuring that it had been seen by all groups, as planned.
- At the final progress meeting with building contractors, Hobson and Porter, it was noted that there had been no reportable accidents.
- The College Accident Book recorded one minor accident during August and September 2010.

The Committee received the Health and Safety Committee minutes for September 2010, noting in particular arrangements to ensure that students were aware of fire drill instructions.

(ii) Security Report

Members noted in discussion that:

- There were only 2 reported security incidents in 2009/10, including one bicycle theft.
- As the above total was lower than usual, it had been checked by the Director of Resources and was correct.

The Committee received the College report on security incidents in 2009/10, noting that there were fewer incidents than in previous years, and discussed the security implications of the new College development.

180.7 Financial Matters

(i) Monthly Accounts, including review of financial performance indicators

The Finance Manager, Steve Rogers, presented the presented the management accounts for September 2010, including the key performance indicators (KPIs) and ratios.

Members noted in discussion that:

- The operating surplus for the 2 months to 30 September 2010 was £388,000 compared to a budgeted surplus of £346,000.
- Trading income was £33,100 below budget, mainly as a result of English for Speakers of Other Languages (ESOL) provision being £30,800 below budget. While there could be further ESOL enrolments up until the New Year, overall income for the year was expected to be lower than budget and the situation would be monitored. The global recession and restrictions on student visas were considered as possible reasons for the decline in recruitment. Efforts had been made to further market the course, with research indicating that most students were recruited by word of mouth, the College website or were spouses of university students studying locally.
- Non-pay expenditure was £59,600 below budget and included a saving of £3,800 on interest charges, as interest rates were currently low although it was possible that they might increase after the outcome of the Government's Comprehensive Spending Review was known later in the current week.

- Pay expenditure showed a positive variance of £8,700 but it would not be possible to predict the overall outturn against budget until the level of pay awards for 2010/11 was known.

Members considered the KPIs and ratios, discussing debtor and creditor days in detail.

Members noted that a cashflow forecast had not been included with the management accounts and would be presented to the November 2010 meeting of the Committee.

Action: SR

The Committee received and considered the management accounts for September 2010, noting that the operating surplus was higher than budget at £388,000 but that that it was too early in the year to draw assumptions concerning final outturn.

(ii) Borrowing update

The Finance Manager spoke to the borrowing report with reference to the desirability of fixing a further portion of the £2.5 million loan facility supporting the redevelopment project, noting that interest currently being paid on the unfixed part of the loan was less than 1.0%

Members noted that:

- 50% of the loan (£1.25 million) to be drawn down had been fixed at 4.885%, with the fixed rate to commence in January 2011.
- Cost of funds had fallen since the previous month to 4.040% and were again below the level at which the first 50% of the loan had been fixed.
- Commentators considered that short-term interest rates should continue to remain at their existing levels at least until the end of 2010 and possibly into 2011, although long-term rates could rise sharply.
- It was possible that interest rates would rise when the outcome of the Governments Comprehensive Spending Review was known.

The Committee received a report on long-term interest rates and agreed that the Committee would not recommend that a further portion of the loan should be fixed at the present time but would continue to monitor interest rate movements.

Action: SR/Clerk

180.8 Strategic and Development Plan Report, including report on College property strategy

The Principal and Director of Resources gave a verbal report on the College's strategic plan, including the College's property strategy and strategic partnership arrangements.

(i) Strategic Plan: enrolment and student outcomes

Members noted that:

- A report on enrolment had been considered at item 180.5 above.
- A report on exam results, success rates and value added had been given to Corporation in September 2010 and to the Curriculum and Quality Committee in October 2010.
- Individual courses results had been completed for the College's Self-assessment Report (SAR) and the College was now compiling the SAR overview.
- A member of staff from Greenhead Sixth Form College would take part in the SAR moderation meeting in November 2010 and a representative from the Local Authority would attend as an observer.

(ii) Re-development project

Members noted in discussion that:

- The Director of Resources was working with building contractors, Hobson and Porter, on resolving minor issues or snags arising from the College re-development project.
- The College and Kelvin Hall School were awaiting planning permission for the new signs on Bricknell Avenue.
- Permission to put a dropped kerb on Grammar School Road to aid cyclists was awaited.
- The College was being entered into the NE region RIBA awards in the regeneration category, as there was not a specific category for educational buildings.

(iii) Kelvin Hall School and Building Schools for the Future (BSF)

The Principal reported that:

- The College was in discussion with the School concerning the possibility of helping with the accommodation of increased pupil numbers from September 2011, although this might not be possible given increased recruitment to the College.

(iv) Northern Academy

Members noted that:

- The Principal and/or Director of Resources continued to attend meetings concerning the northern Academy.
- Planning permission was being sought, with building expected to start in spring 2011.

180.9 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal reported that:

- The Assistant Principal, Mark Rothery, would lead a College to South Africa in summer 2011 and had asked staff to considering volunteering to lead future visits to South Africa.

The Principal's report on overseas and residential visits was received.

180.10 Committee matters

(i) F&GP Committee checklist and Performance Indicators for 2009/10

The Committee considered its performance indicators (PIs) for 2009/10, noting that:

- PIs for attendance, quoracy and completion of the annual checklist were at or above target.
- 95% of standing agenda items had been considered at the specified meeting against a target of 100%.
- 50% of agendas and minutes had been sent out 7 days before the meeting, against a target of 80%, with 88% having been sent out 6-7 days before the meeting.
- 43% of papers went out 7 days before the meeting against a target of 80%, with 69% going out 6-7 days before the meeting.

The Committee reviewed its performance indicators for 2009/10, noting that it had completed its 2009/10 performance checklist at its September 2010 meeting.

(ii) Development of Publication Scheme guide

The Clerk presented the first draft of the publication scheme guide, which has been developed taking into account Information Commissioners' Office (ICO) guidance and based on the model used by Lambeth College.

Members noted that:

- The sections on “Who we are and what we do” and “What we spend and how we spend it” were complete but that parts of the sections on “What our priorities are and how we are doing”, “How we make decisions”, “Our policies and procedures” and “Lists and registers” remained to be completed.

The draft Publication Scheme guide was received and it was agreed that the Clerk would liaise with colleagues concerning the incomplete sections guide noted above, making it clear that the information provided should be generic and related to information already published.

Action: Clerk

180.11 Documents from outside bodies

The Committee considered a briefing from the Office for National Statistics (ONS) on the reclassification of sixth form college corporations and colleges of further education as respectively local and central government entities rather than Non-Profit Institutions Serving Households (NPISH).

Members noted that the ONS advised that:

- Classification of organisations as public or private sector bodies for the purposes of compiling national accounts was carried out by the ONS, which was independent of Government, according to international and EU agreed guidelines
- The key factor in each of the above re-classifications was the degree of public sector power over the institutions concerned i.e. that colleges required public sector approval for borrowing.
- The re-classification meant that all publicly funded education institutions in the UK responsible for educating people to the age of 18 were now classified as being in the public sector
- The ONS did not expect the re-classification to change current accounting practice, standards or financial arrangements for the remainder of the current college financial year (2010-11) but colleges would be treated differently for National Accounts purposes.
- The Department for Business, Innovation and Skills (BIS) and the Department for Education (DfE) were taking forward urgent work with the Treasury to agree how the changes would work in practice and were committed to engaging representatives from the sector fully and to minimising burdens wherever possible.
- The reclassification did not in itself limit college’s abilities to make their own decisions and, within the existing regulatory parameters, borrow money, introduce new financial risks or affect the legal status of colleges as autonomous bodies, with College corporations continuing to be responsible for the financial viability of their institutions.

Members noted in discussion that:

- The Sixth Form College Forum (SFCF forum) were monitoring the situation, including investigating whether the re-classification had any implications for colleges’ liability for VAT.

The Committee received the briefing on the decision of the Office of National Statistics (ONS) to re-classify sixth form colleges as local government entities for National Accounts purposes, noting that the Sixth Form Colleges Forum (SFCF) were monitoring the situation, including any possible areas of risk arising from it.

180.12 Items deferred to subsequent meetings

It was noted that the annual review of the Financial Regulations had been deferred to the November 2010 meeting of the Committee.

180.13 Any other business

It was noted that the next scheduled College Open Evenings would take place on Tuesday 9 November and Wednesday 17 November 2010.

The Chair of Corporation confirmed that he should be able to attend the Open Evening on 9 November 2010.

180.14 Risk management – items identified at the meeting

The following risk was identified at the meeting:

- ***Possible risk arising from the re-classification of sixth form colleges as local authority entities for National Accounts purposes.***

180.15 Date of next meeting

It was noted that the Committee would next meet on Tuesday 23 November 2010 at 4.30pm.

Fiona Bagchi
Clerk to the Corporation
16 November 2010

Actions arising from F&GP Committee meeting 180 held on 19 October 2010

No.	Action for:	Action:	Status of Actions:
1	Clerk/SR	Review of the Financial Reg.s to <u>Nov. 2010</u> meetings of F&GP.	On the agenda.
2	BJ	Review the figure of £11,135 "SLN rate co-funded" for adult students shown in the report to ensure that it was correct – <u>Nov. 2010</u> .	<i>Report to be given at the meeting.</i>
3	SR	Cashflow forecast to <u>Nov. 2010</u> meeting.	On the agenda.
4	SR/Clerk	F&GP to continue to monitor interest rates – <u>ongoing</u> .	On the agenda.
5	Clerk	Draft Publication Scheme guide: Clerk to liaise with colleagues responsible for the incomplete sections guide noted above, making it clear that the information provided should be generic and related to information already published – <u>Nov. 2010</u> .	<i>Report to be given at the meeting.</i>

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.



FINANCE & GENERAL PURPOSES COMMITTEE MINUTES OF MEETING 181 HELD ON 23 November 2010

Present: John Wilson (Chair), Jim Darmody, Mary-Rose Hardy, Mike Noddings, Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Mike Rogerson Vice-Principal (Staff and Students), Ian Taylor, (Vice-Principal, Performance Improvement),

181.1 Apologies for absence

There were apologies from Alan Woodcock (Director of Resources)

181.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting.

181.3 Minutes of meeting 180 held on 19 October 2010

The minutes of Finance and General Purposes (F&GP) Committee meeting 180 held on 19 October 2010 were approved.

181.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 The annual review of the Financial Regulations was on the agenda, as agreed (180.4).
- 2 A report on the SLN allocation for adult students (i.e. students aged 19+) was included as part of the student numbers and funding report to be considered later on the agenda (180.5).
- 3 The cashflow forecast would be considered later on the agenda as part of the review of the management accounts (180.7).
- 4 A report on interest rates was on the agenda (180.7).
- 5 A report on the development of the draft Publication Scheme guide was on the agenda (180.10).

181.5 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for November 2010.

Members noted that:

- The 6 week retention census date for students beginning courses at the start of term had now passed, confirming that the College was currently exceeding its allocation for students aged 16-18 with 1,226 students against a target of 1,189 students. While there could still be more withdrawals to process, it was not expected that this figure would change significantly.
- Standard Learner Number (SLN) totals for 16-18 year old students were currently an under-estimate but should exceed allocation, as the College would be adding further activity later in the year as students progressed to A2 General Studies, commenced Extended Projects, and vocational students migrated from Subsidiary Diploma to Diploma and Extended Diploma programmes.
- The College was, however, currently under-achieving on the SLN allocation for students aged 19+ by around 3 SLNs/£13,000 on programme funding.
- The College's allocation of Additional Learning Support (ALS) for students was £11,135, as noted at the Committee's October 2010 meeting, which could only be achieved by the recruitment of students with significant needs or more than 100 SLN worth of student activity.

Members discussed how the College's ALS allocation for adult students had been calculated, noting that the method used was complex and that:

- About 60% of the total was calculated according to funding body formula against 100% allocation by formula for school sixth forms, which the College considered a preferable method of calculation.
- It was understood that some selective sixth form colleges claimed for a higher proportion of students with disabilities than Wyke following a test undertaken on entry, which made it easier for them to claim their ALS allocation, although it was noted that funding body advice had been that disabilities should be self-declared by students.
- The College used the BKSB literacy and numeracy test on entry which was used to refer students to Learning Support.

The Committee received the Student Numbers and Funding Report for November 2010, noting that the funding body 6 week census date had passed and the College was currently exceeding its Young People's Learning Agency (YPLA) allocation for students aged 16-18, which was its core business. It was, however, below target in relation to its Standard Learner Number (SLN) allocation for students aged 19+.

181.6 Health and Safety (H&S) and Security Reports

The principal presented the H&S Committee minutes for October 2010.

Members noted in discussion that:

- A series of actions relating to the scheduled fire drill had been discussed.
- Students who were ill would normally be taken home by a parent or guardian rather than premises staff.

The Health and Safety Report for October 2010 was received.

181.7 Financial Matters

(i) Monthly Accounts, including review of financial performance indicators

The Finance Manager, Steve Rogers, presented the management accounts for October 2010, including the key performance indicators (KPIs), ratios and cashflow forecast.

Members noted in discussion that:

- The operating surplus for the 3 months to 31 October 2010 was £427,300 compared to a budgeted surplus of £423,900.
- Trading income was £36,600 below budget although there had been further enrolments on English for Speakers of Other Languages (ESOL) courses and it was expected that there would be further enrolments in January 2011.
- Non-pay expenditure was £30,000 below budget and included a saving of £6,500 on interest charges, as interest rates were currently low.
- Pay expenditure showed a positive variance of £19,000 but it would not be possible to predict the overall outturn against budget until the level of pay awards for 2010/11 was known.

The Committee received and considered the management accounts for October 2010, noting that the operating surplus was higher than budget at £427,300 but that pay awards for 2010/11 had yet to be finalised.

(ii) Draft Annual Financial Statements and Members' Report for recommendation to Corporation

The Finance Manager spoke to the Report and Financial Statements for the year ended 31.7.10 and the reconciliation statement, which were considered. It was noted that the Report and Financial Statements would also be considered by the Audit Committee on 29 November 2010 with particular reference to the financial statements auditors' findings, the regularity audit opinion, the statements on corporate governance, the responsibilities of members of the Corporation and the system of internal control.

Members noted with reference to the reconciliation statement that:

- At the time that the draft reconciliation statement had been considered in September 2010, the College's financial statements auditors had advised that the fall in the College's share of the deficit in the East Yorkshire Pension Fund as a result of the Government's decision to change the way public sector pensions in payment and deferred pensions were up-rated for inflation using the CPI (Consumer Price Index) rather than the RPI (Retail Price Index) should be accounted for in the Income and Expenditure account of the annual Financial Statements. Subsequent advice had, however, been that it should be accounted for in the Statement of Recognised Gains and Losses and this was reflected in the revised reconciliation statement.
- Other post audit adjustments included changes relating to the accrual of redundancy costs, release from deferred capital grants and the release of Learning and Skills Council (LSC) credit balances.
- The revised operating surplus after Financial Reporting Standard (FRS) 17 adjustments as stated in the annual Financial Statements was therefore £1,000.
- Excluding FRS 17 adjustments, the operating surplus was £82,000 against a budgeted £96,791.

The Committee noted that the operating and historical cost surplus after Financial Reporting Standard (FRS) 17 adjustments for the year ended 31.7.10 as stated in the annual Financial Statements was £1,000 and agreed that, subject to review by the Audit Committee and the submission of any further e-mailed comments to the Finance Manager by F&GP Committee members before the

Committee's scheduled December 2010 meeting, the Committee would recommend the annual Financial Statements to Corporation for approval.

Action: Committee/Chair

(iii) Approval of College accounting policies

Members noted that the accounting policies on pages 20-22 of the Report and Financial Statements for the year ended 31.7.10 remained unchanged from previous years and agreed to recommend them to Corporation for approval.

Action: Chair

(iv) Amendment to the Financial Regulations for recommendation to Corporation

The Finance Manager spoke to the amendments to the Financial Regulations which he was recommending following their annual review.

Members noted that the changes recommended were minor updating changes, including replacement of references to the LSC with references to the YPLA and Skills Funding Agency (SFA) but that reference's to the LSC's Audit Code of Practice 2004 had been retained as it was still in force.

The Committee agreed to recommend the proposed amendments to the College's Financial Regulations to Corporation for approval.

Action: Chair

(v) College Financial Health assessment – letter from YPLA dated 11.11.10

The Committee considered the YPLA letter of 11.11.10, noting that it confirmed the College's self-assessment of its financial health grade for 2009/10 and 2010/11 as Satisfactory and agreed that the letter should be presented to Corporation.

Action: Chair

(vi) Teacher's pay negotiations

The Committee received a briefing on the 2010/11 pay award, noting that the employers' side had made a final offer to the teachers' staff side of an increase on all salary points from 1.9.10 and that the latter were consulting with their members.

(vii) Borrowing update

The Finance Manager spoke to the borrowing report with reference to the desirability of fixing a further portion of the £2.5 million loan, noting that interest currently being paid on the unfixed part of the loan was less than 1.0%.

Members noted that:

- 50% of the loan (£1.25 million) to be drawn down had been fixed at 4.885%, with the fixed rate to commence in January 2011.
- Cost of funds had increased slightly since the previous month to 4.250% from 4.040% but were still below the level at which the first 50% of the loan had been fixed.
- Commentators considered that short-term interest rates should continue to remain at their existing levels at least until the end of 2010 and possibly into 2011, although long-term rates could rise.
- The Finance Manager was recommending that a further portion of the loan should not be fixed at the present time but that the Committee should continue to monitor rates.

The Committee received a report on long-term interest rates and agreed to recommend to Corporation that a further portion of the loan should not be fixed at the present time but that the F&GP Committee should continue to monitor interest rate movements.

Action: Chair

(viii) Draft Student Association Accounts for y.e. 31.7.10 and budget for 2010/11 for recommendation to Corporation

The Committee considered and agreed to recommend the Student Association Accounts for the year ended 31.7.10 and the budget for 2010/11 to Corporation for approval.

Action: Clerk/Chair

181.8 Strategic and Development Plan Report, including report on College property strategy

The Principal and Director of Resources gave a verbal report on the College's strategic plan, including the College's property strategy and strategic partnership arrangements.

(i) Re-development project

Members noted in discussion that:

- The College were in discussion with Hull City Council's Building Schools for the Future (BSF) team on issues relating to entrances and signage for the College and Kelvin Hall School sites.
- The College had an agreement in principle concerning a small piece of land at the Grammar School Road site which would be transferred to the College by Hull City Council. The College would pay for the dropped kerb at the entrance.
- The Director of Resources was continuing to work with building contractors, Hobson and Porter, on resolving minor issues or snags arising from the College re-development project.
- The College had received a grant from Hobson and Porter for a sculpture for the College's re-developed site and was in discussion with consultants concerning a long-list of artists for the project.

(ii) Academy, BSF, partner schools and other organisations

Members noted that:

- The co-sponsors of the northern Academy had received a letter from the Department for Education (DfE) stating that the funding agreement for the Academy was now in place. Building was expected to start in spring 2011.
- The re-development of Kelvin Hall School under BSF was progressing well.
- The Principal had recently visited Sirius Academy which was offering A levels through Hull College, with the latter planning to set up an Academy in Hull city centre offering A levels and the International Baccalaureate.
- The Principal had recently visited Cottingham High School, which was planning to allow students access to the on-line Common Application process in 2010/11. The government had, however, stated that the cost of the scheme would in future be funded by local authorities and its continued use was therefore likely to be reviewed by Hull City and East Riding of Yorkshire councils. The system has been particularly well used by students applying to the College from Hull schools but students also applied using the College website and the College was developing application by mobile 'phone.
- The Principal had shown Alison Michalska (Director of Children, Family and Adult Services) and John F Wilson (Assistant Director, Children and Young People's Services) of East Riding of Yorkshire Council around the re-developed College, as they had been unable to attend the College's grand opening.

(iii) Recruitment for 2011/12

Members noted that:

- The College had recently held 2 Open Evenings which had been well attended.

The Committee received the report on the College's strategic plan, including the College's property strategy and strategic partnership arrangements.

181.9 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal reported that:

- A sports trip to the Isle of Man would take place in March 2011.
- There would be residential trips to London to visit the Science Museum and Regent's Park Zoo.
- There would be a College visit to South Africa in summer 2011.

The Principal's report on overseas and residential visits was received.

181.10 Annual review of the College's Data Protection, Freedom of Information, Publication Scheme and Environmental Regulations charging policy

The Committee agreed that no change to the policy was required.

181.11 Report on development of Publication Scheme guide

It was noted that the Publication Scheme guide was still being developed and would be presented to the Committee's next meeting.

Action: Clerk

181.12 Deferred to next meeting

It was noted that consideration of the Committee's Annual Report was deferred to the Committee's next meeting.

Action: Clerk

181.13 Documents from the YPLA, SFA, DfE, BIS and other outside bodies

It was noted that there was nothing to be considered under this item.

181.14 Any other business

It was noted that there was no other business.

181.15 Risk management – items identified at the meeting

It was noted that no new items of risk had been identified at the meeting.

181.16 Date of next meeting

It was noted that the Committee was next scheduled to meet on Tuesday 7 December 2010 and agreed that a decision on whether the meeting should be held or cancelled would be made following further comment on the annual Financial Statements by e-mail, as noted above.

Action: Committee/Clerk

Fiona Bagchi
Clerk to the Corporation
10 January 2011

Actions arising from F&GP Committee meeting 181 held on 23 November 2010

No.	Action for:	Action:	Status of Actions:
1*	Committee//Chair	Agreed to recommend Report & Financial Statements for y.e. 31.7.10 to Corp., subject to review by Audit Committee & e-mailed comments to SR before F&GP's scheduled meeting in <u>Dec. 2010</u> .	Completed. No further issues were raised by the F&GP Committee members by e-mail & following positive review by the Audit Committee, the F&GP Committee recommended the Report & Financial Statements for y.e. 31.7.10 to Corp. , with Corp. approving them at its Dec. 2010 meeting.
2*	Chair	Recommend accounting policies to Corp. for approval – <u>Dec. 2010</u> .	Completed. Corp. approved the accounting policies at its Dec. 2010 meeting.
3*	Chair	Recommend amendments to Financial Reg.s to Corp. – <u>Dec. 2010</u> .	Completed. Corp. approved the amendments to Financial Reg.s at its Dec. 2010 meeting.
4*	Chair	Present YPLA letter confirming the College's self-assessed health grade for 2009/10 & 2010/11 to Corp. – <u>Dec. 2010</u> .	Completed. YPLA letter confirming the College's self-assessed health grade for 2009/10 & 2010/11 presented to Dec. 2010 meeting of Corp.
5*	Chair	Agreed to recommend to Corp. that a further portion of the College loan should not be fixed at present but that F&GP should continue to monitor rates – <u>Dec. 2010</u> .	Completed. Corp. agreed that a further portion of the College loan should not be fixed at present but that F&GP should continue to monitor rates.

No.	Action for:	Action:	Status of Actions:
6*	Chair	Agreed to recommend the Student Association accounts for y.e. 31.7.10 and the budget for 2010/11 to Corp. for approval – <u>Dec. 2010.</u>	Completed. Corp. approved the Student Association accounts for the y.e. 31.7.10 & budget for 2010/11 at its Dec. 2010 meeting.
7	Clerk	Draft Publication Scheme guide to next F&GP meeting – <u>Dec. 2010/Jan. 2011.</u>	On agenda.
8	Clerk	F&GP Annual report to next F&GP meeting – <u>Dec. 2010/Jan. 2011.</u>	On agenda.
9	Committee/Clerk	Decide whether the Dec. 2010 meeting of the Committee should be held after Committee's has e-mailed any further comments on annual financial statements to SR – <u>Dec. 2010.</u>	Agreed that Dec. 2010 meeting of F&GP Committee was not required.

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.

**FINANCE & GENERAL PURPOSES COMMITTEE
MINUTES OF MEETING 182 HELD ON 1 February 2011**

Present: John Wilson (Chair), Jim Darmody, Mary-Rose Hardy, Mike Noddings, Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Mike Rogerson Vice-Principal (Staff and Students), Alan Woodcock (Director of Resources)

182.1 Apologies for absence

There were apologies from Ian Taylor (Vice-Principal, Performance Improvement),

182.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting.

182.3 Minutes of meeting 181 held on 23 November 2010

The minutes of Finance and General Purposes (F&GP) Committee meeting 181 held on 23 November 2010 were approved.

182.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 The November 2010 meeting of the Committee has agreed to recommend the Report and Financial Statements for the year ended (y.e.) 31.7.10 to Corporation, subject to review by the Audit Committee and any e-mailed comments to the Finance Manager to determine whether further review was required at the F&GP Committee's scheduled meeting on 7 December 2010. As no further issues had, however, been raised by F&GP Committee members by e-mail, it had been agreed that the F&GP Committee meeting scheduled for 7 December 2010 should be cancelled. The Report and Financial Statements had been considered by the Audit Committee on 29 November 2010, with particular reference to the financial statements auditors' findings, the regularity audit opinion, the statements on corporate governance, the responsibilities of members of the Corporation and the system of internal control. Following positive review by the Audit Committee, the F&GP Committee had

- recommended the Report and Financial Statements for the y.e. 31.7.10 to the December 2010 meeting of Corporation, which had approved them (181.7).
- 2 The accounting policies had been approved by the December 2010 meeting of Corporation, on the recommendation of the Committee (181.7).
 - 3 The revised Financial Regulations had been approved by the December 2010 meeting of Corporation, on the recommendation of the Committee (181.7).
 - 4 The Young People's Learning Agency (YPLA) letter confirming the College's self-assessed financial health grade for 2009/10 and 2010/11 had been presented to the December 2010 meeting of Corporation, as agreed (181.7).
 - 5 The December 2010 Corporation meeting had agreed, on the recommendation of the Committee, that a further portion of the College loan should not be fixed at present but that the F&GP Committee should continue to monitor rates (181.7).
 - 6 The December 2010 meeting of Corporation had approved the Student Association accounts for the y.e. 31.7.10 and the budget for 2010/11, on the recommendation of the Committee (181.7).
 - 7 A report on the development of the draft Publication Scheme guide was on the agenda (181.11).
 - 8 It was noted that presentation of the Committee's annual report had been deferred to the next meeting (181.12).
 - 9 As noted above, it had been agreed that the December 2010 meeting of the Committee had not been required (181.16).

182. 9 E-governance proposal

It was agreed that the above item should be considered at this point on the agenda.

The Finance Manager and Director of Network and Information Systems spoke to an outline proposal that Corporation and its Committees should make more use of electronic media to save money and improve timely access to Corporation papers. It was noted that the initial proposal had been to supply members with laptops/notebooks but the current proposal was to use Moodle for Corporation papers, using the F&GP Committee as a pilot with papers posted on Moodle following the sending of e-mail alerts to Committee members, and with papers presented on the large screen at meetings.

Members discussed the proposal, noting that:

- While it was important to consider savings in expenditure and resources, Corporation members were volunteers with key monitoring responsibilities and it was therefore important that they should be consulted as to their preferences.
- The Clerk had previously established a Corporation area on Moodle, for both Corporation and Committee papers, but as few Corporation members had used it, it had been discontinued. Other colleges had had a similar experience.
- The issue of confidential papers was considered, noting that this would be covered by the use of Moodle which restricted access to those enrolled on the relevant Corporation or Committee "course".

- Some members present valued the opportunity that paper copies gave to easily read and annotate reports, were happy for some papers to be sent out by e-mail but would not be prepared to read papers on Moodle.
- Members' experience indicated that there could be issues with reports presented on the large screen (e.g. print too small to read, information not fitting completely on the screen) although this might be overcome if individuals used laptops.
- Members might be offered the option of receiving electronic or paper copies.

It was noted that one of the other colleges clerked by the Clerk were experimenting with the use of notebooks and software, which allowed reports to be annotated, for use at senior management team and Corporation meetings and that she had, in this context, obtained details of a number of other colleges which were currently using a similar system.

The Committee received a proposal on e-governance and agreed that the Clerk should research the experience of other colleges and report to the Committee.

Action: Clerk

182.5 Early application numbers report

(Alan Woodcock, Director of Resources, arrived during this item).

Mike Rogerson, Vice-Principal (Student and Staff Support), spoke to the updated early student applications numbers report for 1 February 2011.

Members noted in discussion that:

- The College had received 892 applications, compared to 869 for the same time in 2010.
- It was noted that applications from partner schools and miscellaneous applications were slightly down, with those from East Riding, east Hull and faith schools having increased.

Members discussed changes in school provision in Hull and the East Riding of Yorkshire including:

- The inclusion of a sixth form at Sirius Academy.
- The proposed establishment by St Mary's College of a Free School for students aged 11-16.
- Discussion taking place concerning the establishment of a University Technical College for students aged 14-19
- Press reports that Cottingham High School and South Hunsley School were applying for Academy status.

Members discussed the provision of free transport to East Riding College for students who lived more than 2 miles from the college, noting that Wyke had announced its intention to subsidise bus and train fares for students so that no student paid more than a maximum of £2 a day.

The Committee received the early student applications numbers report, noting an increase in applications compared to the same point in 2010.

182.6 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for January 2011

Members noted that:

- There had been an increase in the 16-18 numbers, due to an enrolment in December 2010.

- The College had exceeded its Standard Learner Numbers (SLN) target for 16-18 year olds (having 1,871 SLNs against a target of 1,819 SLNs) but remained below allocation for Adult Learner Responsive provision
- Level 3 retention and Level 2 retention for 16-18 year olds were both showing an improvement on the figure for January 2010.

In response to members' questions, actions taken to improve retention was considered e.g. introduction of the specialist tutor system and the continuing development of systems for student monitoring and tracking. It was noted that detailed reports were regularly received by the Curriculum and Quality Committee and agreed that a briefing should also be given to Corporation.

Action: IDT/DC

(Mike Rogerson left the meeting).

The Committee received the Student Numbers and Funding Report for January 2011, noting that retention for 16-18 year olds at levels 2 and 3 was showing an improvement on January 2010.

182.7 Health and Safety (H&S) and Security Reports

The Director of Resources, Alan Woodcock, presented the H&S Committee minutes for January 2011.

Members noted that:

- There was a problem with the fire curtain in the Ash Building which continued to fail to rise after being activated e.g. during fire drills. While this was not dangerous it was inconvenient. The manufacturers had removed excess fabric, without effect, and were now claiming that the curtain was unable to rise because the battery was being drained, which suggested that an alternative source of power could solve the problem.
- There had been 8 minor accidents between November 2010 and January 2011, including 4 separate netball-related accidents. As the netball sessions had been supervised and there were no problems with the court, it appeared this was likely to be due to an increase in the number of netball sessions.
- Health and safety was due to be audited in May 2011.

It was noted in response to members' questions that the College had 9 first-aiders, which was more than adequate, but the College was seeking to recruit more first-aiders in areas of higher risk e.g. PE, Science and Art.

The Health and Safety Report for January 2011 was received.

182.8 Financial Matters

(i) Monthly Accounts, including review of financial performance indicators

The Finance Manager, Steve Rogers, presented the management accounts for December 2010, including the key performance indicators (KPIs), ratios and cashflow forecast.

Members noted in discussion that:

- The operating surplus for the first 5 months of the year was £199,600 against a budgeted surplus of £215,800.
- Trading income was £40,000 below budget, with English for Speakers of Other Languages (ESOL) fee income continuing to be below budget although additional

enrolments meant that the final shortfall was likely to be £15,000. There was currently a shortfall of £6,500 in FE Sports Co-ordinator (FESCO) income, which would be corrected later in the year following payment of the second invoice.

- There had been savings to date of £13,500 on interest charges but savings would not be as great in the second half of the year as the fixed rate deal on half of the loan would commence in January 2011.
- There was currently a positive variance of £42,300 in pay expenditure. A 0.75% pay deal had been agreed for support staff and would be paid in January 2011 although annual non-consolidated Support Staff Standards Payments (SSSP) would not be paid until April 2011, following a change in the College support staff appraisal process. The teaching staff unions/professional associations had not accepted the offer of 0.75% and negotiations would therefore resume at a national level.
- With reference to the College re-development project, as the project had now been completed, the final part of the £2.5 million loan had now been drawn down and grant income claimed, it was noted that this would mean that bank balances would be less variable and key performance indicators data would become a more useful monitoring tool.

The Committee received and considered the management accounts for December 2010, noting that the operating surplus for the first 5 months of the year was lower than budget i.e. £199,600 against a budgeted surplus of £215,800.

(ii) Borrowing update

The Finance Manager spoke to the borrowing report with reference to the desirability of fixing a further portion of the £2.5 million loan, noting that interest currently being paid on the unfixed part of the loan was less than 1.0%.

Members noted that:

- The full amount of the £2.5 million loan had now been drawn down.
- 50% of the loan (£1.25 million) to be drawn down had been fixed at 4.885%, with the fixed rate to commence in January 2011.
- The Finance Manager was recommending that a further portion of the loan should not be fixed at the present time but that the Committee should continue to monitor rates.

The Committee received a report on long-term interest rates and agreed to recommend to Corporation that a further portion of the loan should not be fixed at the present time but that the F&GP Committee should continue to monitor interest rate movements.

Action: Chair

182.9 E-governance proposal

It was noted that the above item had been considered earlier on the agenda.

182.10 Strategic and Development Plan Report, including report on College property strategy

(i) Funding

The Principal reported that the Young Peoples' Learning Agency (YPLA) had announced a range of changes in the funding methodology for 2011/12, which embodied significant funding cuts to the sector, including a reduction in entitlement funding from 114 guided learning hours (glh) to 30 glh.

Members received a presentation outlining the current results of modelling being carried out to assess the impact of the proposed cuts, although it was noted that the College would not have information on its actual funding allocation until March 2011. It was noted that the presentation had also been given to staff at a meeting on 27.1.11.

Members noted that:

- Entitlement funding would be cut by 74% i.e. a 12-14% cut (around £700,000) in overall funding over the next 4 years.
- Entitlement funding was used in the sector to provide guidance, enrichment, tutorial and health support, for example, and the cut would particularly affect sixth form colleges.
- The EMA and FESCO funding would cease. There would be some redistribution of former entitlement/Educational Maintenance Allowance (EMA) funding to support disadvantaged learners e.g. enhanced learner support funding and possibly an extension of the Pupil Premium post-16.
- As sixth form colleges were no longer BIS's responsibility, BIS would not longer pay for sixth form colleges JANET internet connection and the Department for Education (DfE) had not to date indicated that it would pay, which could mean an additional expense for colleges.
- The College would receive £30,000 for capital maintenance in the current year.
- The government's aim was to fund all 16-18 provision at the level of the most efficient i.e. sixth form colleges. There was concern in the sector, however, that as this would be at the level available after the cuts had been made. The level of cuts facing sixth form colleges did, however, appear to be lower than that faced by school sixth forms, local authorities and general FE colleges.
- Student numbers should stay stable, as a falling demographic was compensated by increased participation in education post-16, but funding would not be increased to take account of inflation.
- Overall cuts of the size proposed might result in possible redundancies, the need to raise class sizes to the mean and, as it would be difficult to recruit additional staff, might require converting non-teaching hours to teaching hours.
- Funding per student would not fall by more than 3% per student in 2011/12 but transitional arrangements in future years were unknown. If the College could grow by 3% per year in the next 3 years, then the situation should remain stable. Modelling suggested that income would rise thereafter but that was not certain.
- As the only option for the College was to grow, more would have to be done with the same resources. Growth would, however, be dependent on maintaining and improving outcomes for students. The College appeared well placed to meet this challenge e.g. it was already top of the points score table locally and had new attractive College buildings. The College had the potential to grow its level 3 provision but would also maintain its level 2 provision.
- The Principal had contributed to an article in the Guardian on the reduction in entitlement funding and had recently attended a dinner at Westminster hosted by MP Nicholas Dakin, former Principal of John Leggott College, at which college funding had been discussed. It was noted that an Early Day Motion opposing the reduction in entitlement funding for post-16 providers had been placed before Parliament in January 2011.

(Mike Noddings left the meeting).

(ii) Re-development project

The Director of Resources reported that:

- Minor snags were continuing to be remedied by the contractors, with pavers which had been affected by frost to be re-laid during the Easter holidays.
- The College was still awaiting planning permission for signage at the College's Bricknell Avenue entrance.

- A leak in the ground source heat pumps for the Ash Building was being investigated.
- The Oak Building had been entered for the Royal Institute of Chartered Surveyors awards and consideration was being given to entering the College for the Queen's award.

(iii) Partnerships

The Principal reported that an advertisement had been placed for the Head of the northern Academy, which was being sponsored by the University of Hull, Wyke and Wilberforce Sixth Form Colleges and the local authority.

(iv) Ofsted Monitoring Visit

The Principal gave a presentation on the College's trajectory which would be given to inspectors, who would be undertaking an Ofsted Monitoring Visit of the College between 2-3 February 2011. It was noted that, unlike a full Ofsted inspection, inspectors would not meet with Corporation members. The following areas would be reviewed:

- Self-assessment and improvement planning.
- Outcomes for learners.
- Progress in continued improvement in success rates, retention and value-added.
- How learners' views were used to improve the learning experience and College provision.
- What had been the impact on learners of the revised arrangements for tutorials.

Members noted that the College's trajectory was positive, with some challenges e.g.

- Strong outcomes over 6 years, high and rising value in the community, and resilient improvement.
- A significant increase in enrolments from just over 800 in 2003 to just over 1,200 currently.
- An upward trend in pass rates, average points score and good ALPs value-added scores.
- Challenges included students' prior attainment i.e. average attainment at GCSE at age 16 consistently the lowest in England.
- The College Self-Assessment Report (SAR) showed the College had self-assessed its Capacity to Improve as Grade 2, taking into account a dip in retention and a dip in AS achievement in 2010. Analysis showed that improvement in retention required a system shift, which was underway, and that unanticipated assessment shifts had resulted in achievement dips in a small number of high volume subjects e.g. ALPs value-added data showed performance dipped nationally by a quarter grade or more in PE, Sociology, Philosophy and Psychology between 2007 and 2010. The social science effect accounted for a 3% downturn in Level 3 success at Wyke in 2010, with courses now being improved through plans that were detailed and monitored.
- The new tutorial system had been established to improve the responsiveness of guidance, through individual planning and monitoring and the provision and use of progress data. The effect of the new tutorial system in 2009/10 had, however, been to retain more students after the new 6 week census date which had resulted in a fall in overall recorded retention although the percentage of the cohort concerned was only slightly higher than in the previous year.
- Retention was being improved through further focus in tutorial and academic guidance, revisions to the curriculum offer and enhanced performance in support.
- There was a committed focus on learning and teaching, the progressive development of the monitoring of student progress (e.g. through the e-record system) and of systems for reviewing courses giving cause for concern against certain characteristics.
- The College had a commitment to continually developing and analysing the College's processes and seeking to improve them.

It was agreed that the Principal would consider the Committee's suggestion that a table showing the points score of other providers locally should be considered for inclusion in the presentation.

Action: RTS

The Committee received the report on the College's strategic planning, including a presentation on funding cuts and a presentation on the College's trajectory, noting that the latter would also be given to the inspectors who would be undertaking an Ofsted Monitoring Visit of the College between 2-3 February 2011.

182.11 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal gave a report on the following overseas visits:

- Exchange visits to Malmèdy in Belgium and Barntrup in Germany
- A Media and Film Studies visit to New York.
- A College visit to South Africa in summer 2011.

The Principal's report on overseas residential visits was received, noting that 4 visits were planned for 2011.

182.12 Report on development of Publication Scheme guide

Members noted that the Clerk had sent a first complete draft of the Publication Scheme guide to colleagues for comment. The draft would be presented to the next meeting of the Committee.

Action: Clerk

182.13 Committee Annual Report

It was noted that consideration of the Committee's Annual Report was deferred to the Committee's next meeting.

Action: Clerk

182.14 Documents from the YPLA, SFA, DfE, BIS and other outside bodies:

- (i) DfE: changes to sixth form colleges regulatory framework
- (ii) SFCF Clerk's Update: Instrument and Articles of Government revision
- (iii) Eversheds briefing data protection on ICO's powers

The Committee received the above briefings noting that:

- A copy of a letter from Lord Hill, minister with responsibility for sixth form colleges, to the Sixth Form Colleges Forum (SFCF) dated 19.1.11 had been received and set out the DfE's intention to simplify the regulatory framework and reduce bureaucracy for sixth form colleges.
- The revised Instrument and Articles of Government had not yet been sent to sixth form colleges for consultation by the YPLAS and could be delayed further as a result of the proposed establishment of the new Education Funding Agency.
- The SFCF had re-iterated that the sixth form college sector did not support the Association of Colleges proposed Code of Governance.
- The Information Commissioner's Office (ICO) had announced its first use of its recent power to issue fines for serious breaches of the data protection legislation.

The Committee received letters and briefings on changes to sixth form regulatory framework, the proposed Instrument and Articles of Government revision for sixth form colleges, the AoC's proposed Governance Code and the first use by the ICO of its new powers in relation to data protection breaches.

182.15 Any other business

It was noted that the next College Open Morning would be held on Saturday 11 February 2011.

182.16 Risk management – items identified at the meeting

It was agreed that, when revising the risk priorities/controls documents, the Finance Manager would consider the need for the addition of new risks or the revision of areas of risk already represented for the following areas of risk identified at the meeting:

- Review of the score and amendment of the wording of the section on risk arising relating to funding.***
- Review of the staffing risk score.***
- Changes in school provision in Hull and the East Riding of Yorkshire.***

Action: SR

182.17 Date of next meeting: Tuesday 1 March 2012 at 4.30pm

Fiona Bagchi
Clerk to the Corporation
11 February 2011

Actions arising from F&GP Committee meeting 182 held on 1 February 2011

No.	Action for:	Action:	Status of Actions:
1	Clerk	The Clerk should research the experience of e-governance at other colleges and report to the Committee – <u>Mar. 2011.</u>	
2*	IDT/DC	Briefing to Corp. on actions being taken to improve student retention – <u>May 2011.</u>	
3*	Chair	Agreed to recommend to Corp. that a further portion of the College loan should not be fixed at present but that F&GP should continue to monitor rates – <u>Feb. 2011.</u>	On Corp. agenda.
4*	RTS	Consider including a table showing the points score of other providers locally for inclusion in the presentation to Ofsted inspectors - <u>Feb. 2010.</u>	Done. Included in the presentation.
5	Clerk	Draft Publication Scheme guide to next F&GP meeting – <u>Mar. 2011.</u>	
6	Clerk	F&GP Annual report to next F&GP meeting – <u>Mar. 2011.</u>	
7	SR	<p>When revising the risk priorities/controls documents, SR consider the need for the addition of new risks or the revision of areas of risk already represented for the following areas of risk identified at the meeting:</p> <ul style="list-style-type: none"> • Review of the score and amendment of the wording of the section on risk arising relating to funding. • Review of the staffing risk score. • Changes in school provision in Hull and the East Riding of Yorkshire. 	

* Indicates that the action will be completed at Corporation or a Committee other than F&GP.

**FINANCE & GENERAL PURPOSES COMMITTEE
MINUTES OF MEETING 183 HELD ON 1 MARCH 2011**

Present: John Wilson (Chair), Jim Darmody, Mary-Rose Hardy, Richard Smith (Principal)

Clerk: Fiona Bagchi

In attendance: Bill Jackson (Director of Network and Information Systems), Steve Rogers (Finance Manager), Ian Taylor (Vice-Principal, Performance Improvement),

183.1 Apologies for absence

There were apologies from Mike Noddings, Vice-Chair of the Committee, and Mike Rogerson Vice-Principal (Staff and Students) and Alan Woodcock (Director of Resources).

183.2 Declarations of interest

Mary-Rose Hardy asked for her standing declaration that she was a Councillor of East Riding of Yorkshire Council to be recorded at the start of the meeting.

183.3 Minutes of meeting 182 held on 1 February 2011.

The minutes of Finance and General Purposes (F&GP) Committee meeting 181 held on 1 February 2011 were approved with the following amendment: the next meeting of the Committee would be held on 29 March 2011.

183.4 Matters arising and actions

(Actions shown below are numbered according to their position in the action points table appended to the end of the previous minutes. The reference to the item where the action can be found in the previous minutes is given in brackets at the end of each item).

- 1 The Clerk reported that a briefing on the experience of e-governance at other colleges would be made to the meeting of the Committee to be held on 29 March 2011 (182.9).

Action: Clerk

- 2 A briefing had been given to Corporation on actions being taken to improve student retention at its February 2011 meeting (182.6).
- 3 A report on interest rates was on the agenda (182.8).
- 4 A table showing the points score of other providers locally had been included in the presentation made to Ofsted inspectors during their 2-day monitoring visit in

February 2011, as suggested by the Committee (182.10).

- 5 The draft Publication Scheme guide would be presented to the Committee meeting to be held on 29 March 2011 (182.12).

Action: Clerk

- 6 The Committee' annual report would be presented to the Committee meeting to be held on 29 March 2011 (182.13).

Action: Clerk

- 7 The Finance Manager had included the new risks discussed at the Committee's January 2011 meeting in the latest revision of the risk register and they would be considered at the meeting of the Audit Committee to be held on 14 March 2011 (182.16).

Action: Clerk

183.6 Student numbers and funding report

Bill Jackson, the Director of Network and Information Systems, spoke to the student numbers and funding report for February 2011

Members noted that:

- The College was above its learner number allocation from the Young People's Learning Agency (YPLA), which would benefit the College when lagged funding comes into effect in 2011/12.
- The College also continued to exceed its SLN target (1,881 SLNs against a target of 1,819 SLNs).
- 78 single year students had been enrolled onto GCSE General Studies in February 2011, resulting in a slight increase in the SLN count.
- The College remained below allocation for Adult Learner Responsive provision
- Appendix 2 to the report showed the College's retention position compared with previous years and recorded that Level 3 retention and Level 2 retention for 16-18 year olds were showing an improvement on 2009/10.

The Committee received the Student Numbers and Funding Report for February 2011, noting that retention for 16-18 year olds at levels 2 and 3 was showing an improvement on February 2010.

183.7 Health and Safety (H&S) Report

The Committee noted that the March 2011 College Health and Safety Committee meeting would take place later in the week and that minutes would therefore be presented to the F&GP Committee meeting to be held on 29 March 2011.

Action: AW/Clerk

183.8 Financial Matters

(i) Monthly Accounts, including review of financial performance indicators

The Finance Manager, Steve Rogers, presented the management accounts for January 2011, including the key performance indicators (KPIs), ratios and cashflow forecast.

Members noted in discussion that:

- The operating surplus for the first 6 months of the year was £161,100 against a budgeted surplus of £93,500.
- Trading income was £37,900 below budget, with English for Speakers of Other Languages (ESOL) fee income below budget by £16,000.
- Shortfalls in Aim Higher and FE Sports Co-ordinator (FESCO) income would be corrected when invoices were issued in March and April 2011 respectively.
- Bank balances were healthy as the final part of the loan supporting the re-development project had been drawn down, with some funds put on short-term deposit with Lloyds TSB and earning interest of around £200.
- Non-pay expenditure was £47,100 below budget, with several variances both positive and negative, although expenditure was expected to be close to budget by the year end.
- More detailed calculation of pre-paid expenditure had been introduced from January 2011, which should make non-pay expenditure reports more accurate.
- There had been savings to date of £17,500 on interest charges but savings would not be as great in the second half of the year as the fixed rate deal on half of the loan had commenced in January 2011.
- There was a positive variance on pay expenditure of £52,800, with the 0.75% pay award having been made to Support Staff in January 2011 but with negotiations between the teaching unions and the employers continuing at a national level.

The Committee considered the financial key performance indicators and ratios, noting that:

- Liquid and current ratios, creditor days and reserve days were healthy.
- Debtor days were quite high because of some NorVlc invoices paid towards the end of the month.
- Reserve days were healthy because the College had drawn down the final part of the loan but, as noted above, the College would also now be paying higher interest rate charges on the fixed rate deal which applied to half of the loan.

The Committee received and considered the management accounts for January 2011, noting that the operating surplus for the first 6 months of the year was better than budget i.e. £161,100 against a budgeted surplus of £93,500.

(ii) Borrowing update

The Finance Manager spoke to the borrowing report and the desirability of fixing a further portion of the £2.5 million loan, noting that interest currently being paid on the unfixed part of the loan was less than 1.0%.

The Committee noted that the report on long-term interest rates remained unchanged from that presented to Corporation's February 2011 meeting and agreed that the Committee should therefore continue to monitor interest rate movements, as agreed at Corporation.

Action: SR/Clerk

183.8 Strategic and Development Plan Report, including reports on College partnership and property strategies

(i) Property Strategy

The Principal reported with reference to the re-development project that:

- Some minor snags had been remedied by the contractors during the half-term break, with the flooring in the refectory and pavers which had been affected by frost to be re-laid during the Easter holidays.
- The College was still awaiting planning permission for signage at the College's Bricknell Avenue entrance and permission from the Highways Authority relating to the work at the Grammar School Road entrance.

(ii) Student applications for 2011/12

The Principal reported that:

- 1,080 applications for 2011/12 entry had been received to date compared with a final total of 1,175 for entry in 2010/11.
- There had been a decrease in applications from partner schools and an increase in other applications.

Members discussed current and forthcoming changes in partnership schools and the importance of marketing.

(iii) Partnerships

The Principal reported that:

- An advertisement had been placed for the Head of the northern Academy, which was being sponsored by the University of Hull, Wyke and Wilberforce Sixth Form Colleges and the local authority.

(iv) Young People's Learning Agency (YPLA)

The Principal reported that:

- The College's funding allocation from the YPLA for 2011/12 should be known by the end of March 2011.
- It was understood that the YPLA could be budgeting for an under-spend, as a number of colleges which had not achieved their 2010/11 allocations would not be eligible for lagged funding in 2011/12, although it was not known how such unallocated funds might be spent.

(v) Department for Education (DfE)

The Principal reported that:

- Nicholas Dakin, MP for Scunthorpe and former Principal of John Leggott Sixth Form College, had invited the Principal and the current Principal of John Leggott Sixth Form College to meet Lord Hill of Oareford, Parliamentary Under-Secretary of State for Schools, on the 17 March 2011. Lord Hill's responsibilities included sixth form colleges.

183.9 Notification of any overseas, residential or other visits the College considers should be brought to the Committee's attention

The Principal reported that:

- A team of students would be going on a residential visit later in the week to take part in a Sixth Form College Forum (SFCF) United Nations simulation exercise at Joseph Chamberlain Sixth Form College, Birmingham.

The Principal's report on overseas and residential visits was received.

183.10 Report on development of Publication Scheme guide

183.11 Committee Annual Report

183.12 E-governance proposal

Members noted that the above reports would be presented to the F&GP Committee meeting to be held on 29 March 2011.

183.13 Documents from the YPLA, SFA, DfE, BIS and other outside bodies:

- (i) SFCF: Education Bill Provisions relating to Sixth Form Colleges
- (ii) SFCF: Sixth Form College Governance issues
- (iii) Eversheds' Health and Safety Briefing on Corporate Manslaughter

The Committee received the above briefings noting:

- A briefing from the Sixth Form Colleges Forum (SFCF) on Education Bill provisions relating to sixth form colleges e.g. provisions relating to the power to search students without consent in certain circumstances, abolition of the General Teaching Council for England (GTCE) and the Qualifications and Curriculum Development Agency (QCDA), a requirement on schools to secure independent impartial careers guidance including information on all 16-18 education or training options, the repeal of the duty on local authorities to secure access to the diploma entitlement for 16-18 year olds, the introduction of a presumption that new schools established by local authorities would be Academies, exemption from routine Ofsted inspection where a school or college had been judged to be outstanding in their most recent inspection.
- A letter from the SFCF to Peter Lauener of the YPLA noting that it was understood that the YPLA consultation with sixth form colleges on the revised Instrument and Articles of Government should commence before Easter 2011 and informing the YPLA that the sixth form college sector did not support the Code of Governance currently being developed by the Association of Colleges (AoC).
- A briefing from Eversheds on the implications for educational institutions of the trial of Cotswold Geotechnical Holdings Limited, which was sentenced and fined £385,000 after being convicted of Corporate Manslaughter in the first case of its kind to be heard in England in which the new tests of corporate criminal liability were tested in a courtroom.
- The fatality in the Cotswold Geotechnical Holdings case had arisen from unsafe practices relating to deep excavations. The College was able to report that excavations undertaken in relation to the College re-development project had been handled safely by contractors.

The Committee received letters and briefings from the SFCF on Education Bill provisions relating to sixth form colleges, sixth form college governance issues and a briefing from Eversheds on Corporate Manslaughter.

183.14 Any other business

It was noted that there was no other business to discuss under this item.

183.15 Risk management – items identified at the meeting

It was noted that no new items of risk had been identified at the meeting.

183.16 Date of next meeting

It was noted that the Committee was next scheduled to meeting on Tuesday 29 March 2011 at 4.30pm.

Mary-Rose Hardy gave her apologies for the above meeting.

Actions arising from F&GP Committee meeting 183 held on 1 March 2011

No.	Action for:	Action:	Status of Actions:
1	Clerk	The Clerk should research the experience of e-governance at other colleges and report to the Committee – <u>Mar. 2011.</u>	On the agenda.
2	Clerk/SR	Committee to continue to monitor interest rates movements, as agreed at Corporation – <u>Mar. 2011.</u>	On the agenda.
3	Clerk	Draft Publication Scheme guide to next F&GP meeting – <u>Mar. 2011.</u>	On the agenda.
4	AW/Clerk	Minutes of Mar. 2011 Health & Safety Committee to be presented to the F&GP Committee meeting on <u>29 Mar. 2011.</u>	On the agenda.
5	Clerk	F&GP Annual report to next F&GP meeting – <u>Mar. 2011.</u>	On the agenda.

** Indicates that the action will be completed at Corporation or a Committee other than F&GP.*

Fiona Bagchi
 Clerk to the Corporation
 21 March 2011