

CITY COLLEGE PLYMOUTH
CORPORATION FINANCE COMMITTEE

MINUTES OF THE MEETING OF THE CORPORATION FINANCE COMMITTEE
HELD ON TUESDAY 20th JUNE 2017 AT 5.30PM IN ROOM K021

MEMBERS PRESENT:

Mrs Emma Tringham – ET
Mr Martyn Starnes - MS
Mr Phil Davies – Principal – PD
Mr Mike Jones - MJ

IN ATTENDANCE:

Ms Nicola Cove – Deputy Principal - NC
Mrs Julia Tindall-Jones - Clerk

F17/32 Apologies

Apologies were received from Iain Perring and James Venning.

F17/33 Item 1.2 - Minutes of the Last Meeting

RESOLVED that the minutes of the Meeting of the Finance Committee held on the 22nd February 2017, which had been previously circulated, be approved and signed as a correct record.

F17/34 Matters Arising

There were no matters arising not already covered by the agenda.

F17/35 Item 1.3 - Confidential Business

RESOLVED that Item 3 on the agenda required to be treated as In Commercial Confidence.

NOTED that no declarations of interest were made at the meeting.

F17/36 Item 2.1 – Finance Committee Dashboard

NC introduced the financial dashboard and indicated that there were no major changes since the last meeting. NC highlighted the following points:

- Adult loan-bearing provision showing higher growth than forecast.
- Percentage of non-ESFA income strong and well above the 2015/16 sector average.
- Staff costs are consistent, but slightly above the sector norm. When franchising staff costs are included the sector norm rises to 65.1%.

- Fixtures and Fittings costs remain below budget whilst incorporating revenue costs associated with the move from Goschen and it is expected that these will in the main fall into the 2016/17 outturn.

The Committee NOTED the Dashboard.

F17/37 Item 3.1 – Draft Budget for 2017/18 and Draft Financial Forecast 2018/2019 – In Commercial Confidence.

F17/38 Item 4.1 – Minor Capital Schedule – 2017/18

NC introduced the Minor Capital Schedule for 2017/18 and asked Governors to note that the budget was split between routine minor works and STEM enabling works and would be funded from the College's own cash reserves.

The Committee AGREED to RECOMMEND the Minor Capital Schedule for 2017/18 to Corporation for approval.

F17/39 Item 5.1 – Sub-Contracting Arrangements – 2017/18

NC introduced the Sub-Contracting Arrangements 2017/18 and asked Governors to note that the new final rules for sub-contracting for either young people or AEB had not yet been issued but the College was working to the draft AEB rules which were more prescriptive.

NC reminded the Committee that it was a requirement for Corporation to approve the arrangements in place annually. Governors discussed the arrangements and noted that the College did not undertake much sub-contracting activity apart from ATL (subsidiary company) and Plymouth Argyle Football in the Community Trust which had been approved by Corporation in 2017.

The Committee AGREED to RECOMMEND the Sub-Contracting Arrangements to Corporation for approval.

F17/40 Item 6.1 – Annual Report on Treasury Activities 2016/17

NC informed the Committee that the College had complied with the terms of the treasury management policies and practices and confirmed that two treasury transactions, as defined under the policy, have been completed in the period.

NC then reminded the Committee of the existing loan with Barclays for the Engineering Refurbishment and the new loan from PCC for the Regional Centre of Excellence for STEM and the respective amounts outstanding and also referred to two small interest-free loans from Salix for energy efficiency projects.

ET asked whether the College had autonomy as to the bank used for investments or whether they received direction from the ESFA. NC confirmed that it was a College decision to use Barclays.

The Committee APPROVED the Annual Report on Treasury Activities for 2016/17.

F17/41 Item 7.1 – Annual Report on Procurement Activities 2016/17.

NC presented the annual report on procurement activities for 2016/17 giving a summary of its procurement activities and highlighting the significant savings that had been made over the year.

Governors noted that the team had met and exceeded its targets and that the College, including its student body, had benefited significantly from having a centralised procurement team. MS questioned whether the projected savings had been discerned by historical cost or difference in quotes and NC responded that both methods had been used depending on whether historical data was available.

Governors then discussed the importance of using local contractors where possible but recognised that more national tenders were necessary for large scale procurement, particularly for the Regional Centre of Excellence for STEM.

The Committee APPROVED the Annual Report on Procurement Activities for 2016/17.

F16/42 Item 8.1 – Date of Next Meeting

The next meeting of the Finance Committee will be held on Tuesday 21st November 2017 in room K021 commencing at 4.30pm.

There being no other business the meeting closed at 6.30pm.

SIGNED _____ DATE _____