

CORPORATE GOVERNING BODY OF GODALMING COLLEGE

Minutes of a meeting of the Finance and Estates Committee of Godalming College held at the College on Monday 23rd November 2009 at 6.30pm

Present: Valerie Martin-Long (Chairman)
David Adelman (Principal)
Brenda Jenner
Michael Laver
Hugh Pile
Sally Seymour

In Attendance: Martin McCarthy (Director of Services)
Stella Halloran (Clerk to the Corporation)

ACTION

- 1. Apologies for absence**
Apologies were received from Shaneel Shajpal (College Accountant)
- 2. Declaration of Interests**
No member had any interests to declare on items on the agenda.
- 3. Minutes of the meetings held on 10th June 2009 and 28th September 2009**
Both sets of minutes were approved and signed.
- 4. Matters arising from the minutes of 10th June 2009**
Item 4 - Catering
Martin McCarthy reported that the catering contract had still not been signed. Governors discussed how this might affect the College in the event of a problem and it was concluded that it was not worth spending a disproportionate amount of time on it, although Martin confirmed that he would continue to put pressure on the company to sign. He would keep the committee updated.

M
McCarthy

Item 4 - Disaster Recovery Plan

Martin McCarthy informed the meeting that whilst the reciprocal arrangement with Charterhouse was not yet in place, there was a complete College backup on the virtualised infrastructure, which was stored at a different location within the College campus from the original. To a question about whether the backup had been tested, it was reported that it had and it had worked.

Item 7 - New Accounting System

The Lake Sun Systems Accounts package went live as planned on 1st August 2009. There were inevitable teething troubles (mainly with the IT), but the accounts side of the package was now running very well. Baker Tilly would be returning in January to double check the opening balances.

All the budgets and monitoring reports are issued to staff, although there is currently no on-line access for staff (it is planned that this will be in place by the end of this term). On-line ordering will also be available at later date.

A new assistant in Finance, a trained accountant who is working part-time, is

assisting the College Accountant for 6 months whilst the new system is embedded. At the end of that time there will be a re-assessment of the type of support that is required in the team.

Governors were pleased that the changeover had gone as smoothly as it had.

5. Accounts for the Year to 31st July 2009

In the absence of the College Accountant, the Principal spoke to the accounts as far as he was able. It was agreed that unresolved questions would be noted by Martin McCarthy, to be answered at a special Finance and Estates meeting prior to the full Corporation meeting on 8th December.

Baker Tilly, the auditors had agreed these accounts following discussion about where to place BTS expenditure. It had been agreed that all BTS expenditure, including that which would be spent on premises in 2009-2010 would appear as expenditure in the 2008 -2009 financial year.

The final income/expenditure loss of £496,000 compared with a budgeted loss of £430,000.

The former included £274,000 exceptional restructuring costs from the closure of BTS. The breakdown of this was explained as £43,000 redundancy costs, £20,000 in lieu of holidays, £74,000 premises costs, £110,000 pensions liability to Surrey County Council for Local Government pensions and £25,000 to Guildford College to transfer learners who had not completed their courses. The rest was accounted for by leases brought back into main College accounts.

This indicated that there was an underlying £220,000 loss if BTS was taken out.

On the balance sheet the figure for net current assets of £77,000 requires explanation from Shaneel Shajpal as does the increase in pension liability.

M
McCarthy

Questions about the costs associated with the planned maintenance programme were satisfactorily answered.

The increase in auditors fees was questioned, but had been approved by the audit committee.

The underlying position was termed 'solid' by the Principal.

These accounts will be agreed subject to the above questions being satisfactorily answered at the special meeting of the committee on 8th December.

6. Financial targets 2008/09

In the absence of the College Accountant, these were not available and consideration of this item would be deferred to the special meeting on 8th December.

M McCarthy
/ Clerk

It was requested that these be sent out with the agenda for the meeting.

7. Management Accounts to 30th September 2009

These had been produced, on the new accounting system, after only 2 months of trading in the current financial year. They were in line with / or better than expectations, as were the end of October figures which the Principal had had sight of.

The £56,000 departmental expenditure carried forward was queried, it was

explained as negative expenditure rather than positive income. Departments were allowed to carry underspend forward from year to year.

The outstanding pay awards will be backdated to September and average 1.84% over the whole year. They have not yet been paid.

8. Estates report

The Principal reported that he and the director of Services would be meeting Bovis the following day, but at this stage were not aware of what they would be saying.

Discussions had been held with Waverley Borough Council, of a general nature, about what is acceptable development on a brown fields site as well as amount of land that can be exchanged.

Therefore at present there was little to report as no further building could be done without funding.

The Accommodation Strategy was currently being updated and would be brought to the Spring Term meeting of this committee.

M McCarthy

Martin McCarthy reported that it had been a light year in terms of refurbishment, with the Admin Unit and relocation of the Principal's office having been completed over the Summer.

There was an on-going issue with Waverley regarding the 900s building. The College would like to replace the opaque blocks with opening windows, but Waverley considers that the neighbours would be overlooked, which, due to the height of trees, is not the case. This has been taken through various applications and was now back at square one as a new planning application had to be submitted.

The aerial on the top of the main building was proving difficult to get removed. The College had served notices on all the people involved in the ownership and use of the aerial. O2 deny responsibility for its removal as it was put up by BT. Its lease comes to an end on 14th January and if by 15th January 2010 there have been no moves to remove it, further legal notices will be served. An offer had been made to re-site a less obtrusive aerial to the side of the College, but this hadn't been taken up so far. The College had employed a consultant to assist with the process, although he was not a lawyer. It would seem that the cards are stacked in O2s favour.

The College had been winners in the Waverley Design awards again – this time for the Piazza and highly commended for the Performing Arts building.

9. Self-assessment reports 2009 – 2010

- *ILT Systems*

The Principal reported that this was a very good report. There had been a great deal of achievement in the past year and an ambitious development programme for the current year, which included re-writing the MIS system.

There had been strains and stresses in the systems because of the massive amount of usage.

The aim was to have an integrated web-based system within 2 years. Governors were concerned that the manpower in the department was

less than desired and worried about how the unexpected would be dealt with - e.g. long term absence of one member of the team who had a lot of particular knowledge. The Principal suggested that it might be desirable to manage down the number of PCs to help alleviate the problem.

The Principal agreed that SMT would look at this further.

D
Adelman

- *Services and resources*

Martin McCarthy reported that this SAR concentrated on making better use of the resources the College already had.

The environmental strategy would concentrate in the first place on savings in electricity usage as well as recycling. The College had signed up to the 10/10 initiative.

Efficiency in processes had been obtained through the new accounting system and the new admin unit.

A challenge was to move away from a paper based admissions system and developments in this direction were being considered.

These two SARs were recommended to the Corporation by the Finance and Estates Committee.

It was noted that next year there would be a Finance SAR (for financial processes), which was welcomed by the committee.

10. College SAR and Development Plan 2009/2010

The Review of those sections of the 2008.2009 plan that were pertinent to this committee indicated that all targets had been achieved, or an explanation given of why not (Accommodation Strategy to be presented in Spring 2010).

The following targets of the Development Plan for 2009-10 were considered:

- 36,37,38 – efficiency savings should be achieved. There are an additional 15 students being funded this year and possibly 20 for next year. On the staffing side, efficiency savings should be achieved by 2011 – 2012.

However, it should be noted that these savings might prove to be insufficient depending on anticipated cuts in public sector expenditure.

- 39,40,41 – accommodation strategy and 4th build will be reported upon during the year
- 43 – discussed earlier on the agenda
- 57,58,59 – MIS and ILT mentioned under ILT services review

The sections of the Development Plan pertinent to the Finance and Estates committee were recommended to the Corporation.

11. Risk Register

The high impact risks identified that are of potential significance are dependent on whether funding levels are maintained. The position was more stable than it would have been if BTS was still in existence and efficiency savings had not been instituted.

Governors considered that the College was very fortunate to be in a good position financially and with regard to the state of its buildings, compared with many 6th Form and FE colleges.

12. Health and Safety Policy

There were minor amendments only to the policy. Committee members had received the policy, with amendments, by email.

These amendments were agreed and the policy recommended for agreement to the Corporation at their December meeting.

13. Date of next meetings:

Tuesday 8th December at 6pm (prior to full Corporation meeting)
Monday 1st March 2010 at 6.30pm

The meeting closed at 8.05pm

Signed:

Date: