

AQUINAS COLLEGE
FINANCE AND BUILDINGS COMMITTEE

Date: 10 June 2014
Time: 4.30 pm
Venue: The College

GOVERNORS PRESENT

Miss M Braithwaite, Mrs H Dove, Cllr T P McGee, Mrs J Miller and Mr D Pearson.

Miss M Braithwaite in the Chair

IN ATTENDANCE

Mrs D Blackburn	Assistant Principal (Finance)
Miss E Bradbury	Adult Centre Manager (Item 5)
Mr T Conlon	Clerk to the Governing Body

1. APOLOGIES FOR ABSENCE

Apologies for absence were received and accepted from Mr P Carter and Mrs R Hewitt.

2. DECLARATION OF INTERESTS

Governors and Staff were asked to declare any interest, which they may have in any of the items on the Agenda for this meeting. No interests were declared.

3. MINUTES OF THE PREVIOUS MEETING

The Minutes of the meetings held on 28 January 2014 were agreed as a correct record.

4. MATTERS ARISING FROM THE MINUTES

There were matters arising that were not covered by the agenda.

5. CHARGING POLICY FOR CONTINUING EDUCATION COURSES

Miss Bradbury introduced a paper that had been circulated prior to the meeting that gave details of the proposed fees to be charged for Adult and Continuing Education Courses for 2014/2015, along with a comparison for 2013/2014. The paper also detailed the courses that would be offered from September 2014.

Governors noted that there had been changes to how leisure courses would be funded. The Local Authority will not fund for any repeat courses (e.g. badminton); therefore the college charges an Aquinas Community Learning rate for these courses because there is a demand for them. There are now two rates for these courses, Rate A and Rate B. Rate A is for courses not included in the Local Authority Programme and Rate B is for courses that can only take small numbers and the college needs to cover the cost of running them including materials. The college had decided not to offer functional skills in literacy

and numeracy. However, a new course of text processing for legal executives/medical would be introduced from September 2014.

There are new courses that could be studied as leisure or lead to a GCSE qualification. It is not intended to claim SFA funding for these courses by keeping the fee low rather than charging the full amount they may attract learners and ensure equality and diversity.

A discussion took place on the introduction of the new loan facility for students aged 24+ that was introduced in September 2013. Anyone over 24 years of age will have to pay the full cost of the course, whilst anyone under 24 years of age will only have to pay a proportion of the fee. Where applicable the fees include registration and examination costs.

Governors noted that the SFA budget allocation had fallen significantly from £69k to £59k for 2014/2015.

Miss Braithwaite asked how many courses are run and how many students are there. Miss Bradbury advised Governors that there will be 60-70 courses and 400-500 students with at least 40 tutors.

Cllr McGee reminded Governors that the college had taken over the provision of adult education courses when Dialstone School closed. He commented on the wide variety of courses that were being offered.

RESOLVED: That the fees as set be recommended for approval to the Governing Body.

6. HEALTH AND SAFETY REPORT

Mrs Blackburn introduced a paper that had been prepared by Neil Lowe, Health and Safety Adviser, which had been circulated to Governors prior to the meeting. The paper covered the following areas:

a) Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR)

It was noted that one report had been made under RIDDOR in this academic year. This was due to a student attending hospital as a result of the injury sustained. The injury was minor and it involved the student's finger being punctured by a power sewing machine needle.

b). Three staff members have been affected by work related ill health resulting in a cumulative absence of 281 days including weekends and bank holidays. The case of stress related absence accounts for 238 of the total recorded days lost to work related ill health

c) There have been Health and Safety committee meetings as scheduled throughout the year.

d) There are no significant findings to be reported to Governors.

e) There have been no new regulatory changes that have made a significant impact on the College. However, new guidance issued by the Department for Education has relaxed the requirement placed on schools and colleges when providing work placements.

f) Significant progress has been made regarding the development of appropriate health and safety training for department heads and the College has continued to develop the internal health and safety audit process.

A full report covering the academic year will be provided for the next meeting.

RESOLVED: That the report be received.

7. MANAGEMENT ACCOUNTS

Mrs Blackburn introduced the Management Accounts for May 2014 that had previously been circulated. A discussion took place on the May Accounts with particular reference to the following:

- a) There had been a trading surplus of £364,000 to date. The monthly results for May 2014 show a loss of £41k due to the fact that the student council has not reimbursed the college for the leaver's ball.
- b) The forecast outturn for 2013/2014 is around £225k.
- c) No further costs have been incurred on the capital building scheme so it remains at £41.04m. There is not expected to be any further costs incurred on the scheme.
- d) The details of the loan facility have now been included in the capital sheet. There is £3.2m on fixed term with £1.95m on variable rate and this has been placed on deposit. The interest earned covers the cost of borrowing with a small margin.

Mrs Blackburn confirmed that the lighting on the path to the car park had been completed at no cost to the College.

Miss Braithwaite asked for clarification on the staffing changes in the canteen. Mrs Blackburn advised Governors that the changes were in relation to a change in the clearing protocols in the canteen.

A discussion took place on the adult education provision and the cut in funding from the SFA. Mrs Miller felt that there was a need to be proactive in promoting the courses available. Mr Pearson responded by saying that the college only has a small budget for marketing. Mrs Blackburn advised Governors that the college needs to recruit students to the level 3 courses and the split of pre and post age 26 is an important factor. Presently there are 10 to 11 students who are on a loan who will start the course in September 2014. It was agreed that the adult education population was an ageing one.

Cllr McGee asked if the funding arrangements changed could the college continue to run some courses. Mr Pearson replied that the adult education budget was £59k set against a college budget of approximately £9m.

If Members had any questions on the May Accounts they were asked to contact Mrs Blackburn.

RESOLVED: That the Accounts for May 2014 be received.

Mrs Dove arrived whilst this item was being discussed.

8. BUDGET 2014/2015

Mrs Blackburn drew Governors' attention to the papers that had been circulated prior to the meeting in relation to the proposed budget for 2014/2015. The papers contained a) a spreadsheet of cash income and expenditure b) the same converted into accounting format and c) a text summary.

The EFA and SFA have confirmed that the income from them for 2014/2015 will be £8,805,870 compared with £8,396,968 for 2013/2014 and is an increase of £408,902. The funding is based on 2054 students compared with 1933 for last year. There is also a fall in funding protection by £47k to £296k and transitional protection has now reduced to zero. An increase in the number of high needs students supported by £72k; this element of funding provides the first £6,000 additional support funding per High

Needs student. There are 37 students which is 12 more than in 2013/2014. The total income for the college is £9,698,453 which is an increase of £263,879.

The draft budget shows a contingency reserve of £118,422, which is a worst case scenario, whilst the trading surplus is £200,967.

Mrs Blackburn advised Governors that due to the changes in funding for 18+ students the college would lose £83k from 2014/2015 income compared with 2013/2014.

Mrs Blackburn advised Governors of the increase in the number of students with “high needs”. EFA Funding is given at £6,000 per student with the Local Authority providing a top up income for any additional costs over and above this sum. At the moment the Local Authority are not committing themselves to any level of funding but there could be as many as 51 students next year and there will be a need to recruit Learning Support Assistants. Cllr McGee felt that if the Local Authority did not provide the funding the college should not admit the students.

Mrs Blackburn advised Governors that whilst the position on a national pay award for staff was uncertain one per cent had been included in the budget.

Mr Pearson advised Governors that by 2015/2016 the cumulative loss of funding to the college would be around £500,000. Many colleges have had to reduce provision and make staffing reductions. Cllr McGee indicated that the growth in student numbers last year has helped the college to overcome some of these problems but the college cannot continue to grow in numbers.

RESOLVED: That the draft budget for 2014/2015 as presented be recommended to the Governing Body for approval.

9 NATIONAL FUNDING POSITION

Mr Pearson advised Governors that there were three changes to the funding of student and these were as follows;

- i) Students without either English and/or Mathematics at GCSE will not be funded unless they continue to study these subjects at the college.
- ii) Students aged 18+ will have a 17.5% reduction in funding.
- iii) Students who re-take the same subject will not be funded.

The college will be affected by ii) and iii) above. The college will make any decisions based on educational grounds before funding issues. There could be as many as 200 courses for re-takes funded at £700 per course which could cost the college over £100k.

Mrs Blackburn advised Governors that the college has increased the amount of careers support that it gives to students to help them select the right subjects and then to get as many to an appropriate destination when they receive their A level results.

Mr Pearson advised Governors that the college were coming to the end of two funding cuts and that protection will cease completely in 2015/2016. Some colleges may not survive in the future. The college is facing approximately cuts of £200k on retakes and 18+ students.

Cllr McGee added that there would be a General Election in May 2015 and that it would be a further 12/18 months before any impact of any change in policy would be felt.

Miss Braithwaite asked what would happen if the college was struggling. Mr Pearson indicated that the options would be to look at a merger with other Catholic colleges, streamline its functions and rationalise its courses.

10. RISK REPORT FOR MAY 2014

Mrs Blackburn introduced a paper that had been circulated prior to the meeting that provided Governors with a brief overview on risk areas which are a focus for the current half term. The areas were as follows;

- i) Ongoing reduction in EFA/SFA funding
- ii) High level ALS
- iii) Drop in SFA funding and rise in fee charges
- iv) A Level Reform
- v) Management of student data- Recruitment of students
- vi) Failure to recruit and retain key staff

The paper had been considered by the Audit Committee at its meeting on 9 June 2014.

Mr Pearson informed Governors that he felt the report was a way of keeping Governors informed of the issues that the College management team are dealing with.

RESOLVED: That the report be noted.

11. AUTHORISATION OF TWO YEAR FINANCIAL PLAN

Mrs Blackburn advised Governors that the two year financial plan has to be submitted to the EFA by the end of July 2014. In previous years the plan had been for three years. The plan includes the outturn for 2013/2014, the budget for 2014/2015 and 2015/2016.

The plan may be ready for the Governing Body meeting scheduled for 24 June 2014. If not the Chairperson would need to sign the Two Year Plan on behalf of the Governing Body.

RESOLVED: That the Chairperson be authorised to sign the Two Year Plan on behalf of the Governing Body.

12. ANY OTHER BUSINESS

There was no any other business.

13. DATE OF NEXT MEETING

The next meeting to be held on Tuesday 11 November 2014 at 4.30pm, subject to the Calendar of Meetings being agreed by the Governing Body at its meeting on 24 June 2014.

Signed _____
Chairperson

Date _____