

**MINUTES OF THE MEETING OF THE FINANCE AND GENERAL PURPOSES
COMMITTEE HELD ON WEDNESDAY 23 APRIL 2008
IN THE COMMITTEE ROOM, BEDMINSTER CENTRE AT 6.30 PM**

Present: T Bray, K Elliott, K Rendell (Chair) and M Timmins

In Attendance:

J Bentley	-	Director of Finance
R Thorold	-	Director of Resources and Estates
I Venn	-	Clerk to the Corporation
P Griffiths	-	Committee Services Officer

1 DECLARATION OF INTEREST

There were no declarations of interest pertaining to the Agenda.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from S Hewitt, Governor.

3 MINUTES OF MEETING HELD ON 5 MARCH 2008

These were agreed as a true record.

4 MATTERS ARISING FROM THE MINUTES OF 5 MARCH 2008

4.1 Minute 4.1 Mid Year Review – Revised Financial Forecast 2007/08

It was noted that the Board had approved the Mid Year Review and Revised Financial Forecast 2007/08.

4.2 Minute 6.1 Review of the level of Contingency 2008/09

It was noted that the Board had approved the Committee's recommendation.

5. MANAGEMENT ACCOUNTS TO 31 MARCH 2008

The Director of Finance presented a paper together with the Management Accounts to 31 March 2008 and cash flow charts.

The Committee noted that the accounts showed a surplus of £1,370k against an expected surplus of £1,228k and the variances were as follows:

- Income (negative variances):
 - LSC Train to Gain contract - £175k; and
 - Pre E2E contract (Education Unlimited) - £350k
- Expenditure:
 - Staff costs in Curriculum Delivery areas with a positive variance of £197k;
 - a negative variance of £267k in contract delivery relating to a fund identified by the College to provide additional resources to ensure

- that opportunities to achieve the LSC contract targets are maximised;
and
- positive variances in Curriculum and Business Support, which will reverse during the final months of the financial year.

The Director of Finance drew Members' attention to the Balance Sheet and the positive net current assets of £5,829k and elaborated on the following Cash Flow reports:

- total cash flow to July 2010, without loan drawn down;
- short term (one year) forecast with a cash balance of £11.1m at the end of March;
- core College cash flow to July 2010, with the impact of South Bristol Skills Academy (SBSA) removed;
- forecast of SBSA as a stand alone project.

The Committee also received a detailed schedule which showed progress with student enrolments against LSC FE Contracts.

Members asked a number of questions relating to the presentation of sale proceeds from the Bedminster Centre and the negative variance for sickness cover. It was noted that this variance was likely to be a budget allocation issue and the Director of Finance undertook to review this.

Action: Director of Finance

The Committee received the report, noting that the College remains solvent and able to meet its liabilities as they fall due.

6. FINANCIAL REGULATIONS

The Committee noted the review of the College Financial Regulations was nearing completion and revised Regulations would be presented to the Audit Committee for consideration.

Action: Clerk

The Committee received the report.

7. STANDING ITEMS

7.1 Capital Projects Report

The Director of Resources and Estates presented a progress report on Capital developments.

The Committee noted that:

- Hartcliffe - the Building Schools for the Future Initiative commenced on site in January 2007 and is on target for completion by January 2009. The terms of the lease for the 'Vocational Building' have not yet been finalised and the College is currently in discussion with Bristol City Council (BCC) to negotiate an improved break clause.

Members noted that the Campus is now known as 'The Bridge'.

- SBSA Development – Bristol City Council (BCC) Planning Committee have given unanimous approval to the College's application for the development of the SBSA at the Hengrove Park site.

The Heads of Terms for the purchase of zone 9 at Hengrove Park are being agreed between BCC and the College and it is anticipated that the purchase will be completed in June 2008.

Tender documents have been issued to potential contractors and the deadline for the return of the tenders is 1 May. At the same time the Director of Finance is out to tender for the bank loan and the College is also working closely with the LSC to ensure that the tight deadlines for submission to the relevant committees are met.

Afternote: the deadline for return of tenders has been extended to 14 May.

- Lawrence Weston – Members were reminded that the Board had agreed to the development of a detailed feasibility for the creation of a new facility at Lawrence Weston that would encompass the Students with Learning Difficulties and Disabilities (SLDD) provision as well as other work. This feasibility study has now commenced and will be the subject of a further report to the Board.
- North Bristol Feasibility Study - the College is currently out to tender for the procurement of Consultants to conduct a formal feasibility study of the options available to the College regarding the location of provision that is currently delivered at Parkway, Orpen Park and in the Engineering facility at Ashley Down.
- Bedminster Centre - the sale of Bedminster to English Partnership for £6.1m was completed on 29 February 2008.
- Folly Lane – the sale is proceeding.
- Downend – the sale has been delayed owing to the purchaser withdrawing.

Members asked a number of questions relating to SBSA and raised the issue of the timescales for the 'buy back' clause for the Bedminster Centre. The Director of Resources and Estates undertook to report back on this issue at the next meeting.

Action: Director of Resources and Estates

The Committee received the report.

7.2 College Companies and Joint Ventures

The Director of Finance informed the Committee of the following:

- SBLN Ltd – the company is now dormant; and
- Partners in Business (West) Ltd – minimal turnover but a small profit transferred as a gift aid payment to the College.

Members noted that the Joint Venture with Filton College was now at an end and that with Weston College was in the final stages of its funding.

8. ANY OTHER BUSINESS

8.1 Cycle of Meetings 2008/09

The Committee was invited to consider the meeting cycle for 2008/2009 and **agreed** to continue with the present format.

9. DATE OF NEXT MEETING

It was noted that the next meeting would take place on Wednesday 4 June 2008 at 6.30 p.m. in room 1.19, Bedminster Centre.

The Meeting closed at 7.45 p.m.