

GRANTHAM COLLEGE

Minutes of a meeting of the Finance Committee held on 23 March 2015 at 1800hrs.

Present	Graham Hayton-Hill	Linda Houtby (Principal)	Mos Kalbassi
	Nick Manoussakis (Chairman)	Wade Rowlett	
In Attendance	Ralph Devereux (Clerk)	Anita Harrison (Mgt Acct)	
Apologies	Paul Deane (DP)		

10/14 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS AND APOLOGIES

The DP was overseas on College business and his apologies were accepted. No notice had been received of any member becoming ineligible to hold office, the meeting was quorate and no interests had been declared.

11/14 MINUTES OF THE LAST MEETING AND NOIFICATION OF URGENT BUSINESS

- a. The minutes of the meeting held on 19 January 2015 were confirmed and signed.
- b. It was agreed to consider Insurance renewal as urgent business.

12/14 MATTERS ARISING

There were no matters arising.

13/14 FINANCE REPORT

- a. Accounts and Funding Allocation. The management accounts accurate to the end of February were considered and discussed; this was commendably in time and Chairman recorded congratulations. The present situation showed a favourable variance to the surplus of c£256k. Income was also favourable by c£8.7k; all variances were explained in the accompanying papers together with detail of the various income streams, these were all discussed and noted. The 16-18 numbers had been missed by 194, which would accordingly lead to reduced EFA funding in 2015/16 (-£683k) and the expected (c24%) reduction in SFA Adult funding would adversely affect 19+ Students; this was expected to continue for at least the coming 2 years and had been allowed for in future budgets. Non-Payroll expenditure was positive by c£251k, again all variances were noted and payroll expenditure was just unfavourable (£4k) including redundancy costs but excluding the 1% pay increase. The cash-flow, balance sheet, PIs and additional information were then discussed, all were considered sound and all Bank Covenants were in scope. As discussed in the previous month an extended cash-flow had been determined and, for the current year there were no expected difficulties. Cash days stood at 62 and the CR was 1.4, Clawback was expected to be as forecast. The information was noted and the Report was received.
- b. Capital Project. Arrangements were now proceeding under reserve matters and should lead to the tendering process, outline planning had now been received and it was necessary to work up a detailed application for full, final planning permission; this would require commitment to expenditure of £30k. The LEP was still unable to commit to full support of the project and would be unable to do so until after Easter at the earliest. A full discussion then ensued and the unanimous view emerged that full planning permission should be obtained; this would remain extant for 5 years and allow ample time to evaluate future options. Accordingly the associated expenditure of £30k was approved for Corporation endorsement.
 - a. The information was received.
 - b. Enabling expenditure for the full planning permission process was approved.
 - c. Corporation endorsement of b would be sought.

14/14 URGENT BUSINESS

Insurance Renewal. The 3 year contract with the Brokers, Romero would draw to a close this month; the favourable terms of that agreement, allowing for a 5% discount, was unlikely to be offered again and it was necessary to initiate a tender process, this would take at least 6 months. Accordingly the most convenient process would be to extend the current agreement (with the company concerned, Travellers) for a further 12 months to provide cover while the tender process could run its course in July 2016, this was agreed. An alternative Broker, Weald, had emerged and they were willing to assume immediate responsibility for insurance affairs on the basis of the Proposal attached, and complete a comprehensive survey of insurance needs to inform the tendering process at no additional fee. The recommendation was to change Brokers wie to Wealds and this was also unanimously agreed.

- a. **The information was received.**
- b. **Existing Cover with Travellers would be extended until July 2016.**
- c. **Insurance Broking services would be immediately transferred to Wealds.**

15/14 IMPACT ON STUDENTS

The attention being shown to the challenging financial situation would lead to the optimum solution allowing continuance of priority to provision and the student experience.

The information was received.

16/14 DATE OF NEXT MEETING

The next meeting would be held on 15 June 2015.