

# FINANCE & GENERAL PURPOSES COMMITTEE



THURSDAY 5 JUNE 2014

GATESHEAD COLLEGE

**Report:** Minutes of a meeting held on 1 May 2014  
**Author:** Clerk  
**Action:** Approve  
**Status:** Open

**Present:** Keith Cann Evans (Chair)  
Ivan Jepson  
John McElroy  
David Mitchell  
Ian Renwick

**In attendance:** John Holt  
Samantha Pritchard (Clerk)  
Gwyneth Jones (Minutes)

## **F/1701 Welcome/Apologies**

Keith Cann Evans welcomed everyone to the meeting. Apologies for absence were received from Judith Doyle and Robin Mackie.

The Chair invited members to declare any interests on any item on the Agenda. No interests were declared at this stage in the meeting; however, members noted that should the direction of debate on any item result in a potential conflict of interest, this should be indicated during the meeting. Members were also reminded to advise the Clerk of any changes to be made to the Declaration of Interest.

## **F/1702 Minutes of the meeting held on Thursday 20 March 2014**

The minutes of the meeting held on Thursday 20 March 2014 were accepted as a correct record.

## **F/1703 Matters Arising**

There were no matters arising which were not substantive items on the agenda.

## **F/1704 Management Accounts: March 2014**

John Holt (JH), Director of Finance, presented the Management Accounts for March 2014.

Revenue for the month was below target and down on the month at £3,611,000 (February £3,793,000). It had been impacted by Apprenticeship and Project revenue.

Revenue on apprenticeships is down but is beginning to improve with good progress particularly on 16-18. The 19+ target is currently £650,000 under but it is hoped to reduce this by subcontracting it out. General recruitment on 19+ was down but is looking better for April.

## **Agenda No: 2**

Pay Expenditure in March was slightly up but was £12,000 under budget. It is expected to fall in April.

Other Operating Expenditure fell from £1,630,000 in February to £1,387,000 in March with payments to partners falling from £737,000 to £574,000 and other overheads from £893,000 to £813,000 despite increased expenditure on staff and staff development.

Despite lower revenue and a high degree of fixed costs the College generated a surplus in March at £60,000 (target £63,000) however this needs to be higher in future months to achieve the full year surplus of £79,000. A deficit of £162,000 is currently expected at the end of the year but steps are being taken to try and reduce this and generate a full year surplus.

**The record of discussion is 'closed to the public' until such time as it is considered to be no longer commercially sensitive**

### **Cashflow**

Receipt of capital grants totalling £1,280,000 from BIS for RGF helped cash held by £806,000 to £6,183,000 following a three month period of low receipts from SFA/EFA. Next month cash should pick up further as receipts from SFA/EFA will be substantially higher and payments on Barmston Court diminish.

### **Subsidiary Companies**

**The report and the record of discussion on it are 'closed to the public' until such time as they are considered to be no longer commercially sensitive**

**RESOLVED to note the contents of the report**

## **F/1705 Funding Allocations 2014/2015**

The Chair asked whether there was a need to go through the paper. JH said that as a College with a focus on adult provision it had been much harder hit than a college focusing on 16-18. The bridging of the remaining gap is being discussed by the Executive Team and they will report back on proposals to the next meeting on 5 June 2014.

**RESOLVED to note the contents of the report**

## **F/1706 Property Strategy**

**The report and the record of discussion on it are 'closed to the public' until such time as they are considered to be no longer commercially sensitive**

**RESOLVED**

- i) to note the contents of the report**
- ii) to approve the withdrawal from the Autoskills Centre, with all provision, staff and equipment relocated to either the Automotive Centre or Barmston Court. The closure of the Autoskills Centre will mean all learners will benefit from the better facilities at the Automotive & Future Technologies Centres**

**Agenda No: 2**

**F/1707 Charge Your Car Ltd**

**The report and the record of discussion on it are 'closed to the public' until such time as they are considered to be no longer commercially sensitive**

**F/1708 Gazelle Update**

**The report and the record of discussion on it are 'closed to the public' until such time as they are considered to be no longer commercially sensitive**

**F/1709 Any Other Business**

There were no items for discussion.

**F/1710 Date of next meeting**

The date of the next meeting will be held on Thursday 5 June 2014 at 12.30pm.