



## **CORPORATE SERVICES COMMITTEE**

**THURSDAY 25 FEBRUARY 2016**

**Report:** Minutes of the meeting held on Thursday 28 January 2016  
**Author:** Clerk  
**Action:** Approve  
**Status:** Open

**Present:** Ian Renwick (Chair)  
Robin Mackie  
Judith Doyle (Principal)  
John Holt

**In attendance:** Kimberley levins (Acting Clerk)  
David Keetley  
Suzanne Clark (Minutes)

### **CS/81 Welcome / Apologies / Conflicts of Interest**

The Chair welcomed all to the meeting. Apologies were received from John McElroy.

The Chair asked Committee members to declare any interests they may have in the agenda items. Robin Mackie restated his longstanding interest in the Future Technology Centre at Barmston Court and the Chair restated his interest in the Future Technologies Centre.

### **CS/82 Minutes of the last meeting dated 26 November 2015**

The minutes of the meeting held on 26 November 2015 were agreed as a correct record.

### **CS/83 Minutes of the joint meeting with Audit Committee dated 2 December 2015**

The minutes of the meeting held on 2 December 2015 were agreed as a correct record.

### **CS/84 Matters Arising**

The Deputy Principal: Operations / Finance Director advised that that both actions for RSM on the Joint Corporate Services and Audit Committees meeting minutes were complete and have been recorded on the action log for the Audit Committee.

### **CS/85 Management Accounts – November 2015**

The report was presented by the Deputy Principal: Operations / Finance Director.

It was reported that the report reflects the impact of the timing and costs associated with the restructure. Committee members were advised that the College restructure was, in the main, completed in December 2015.

*The report was noted.*

## **CS/86 Management Accounts – December 2015**

The report was presented by the Deputy Principal: Operations / Finance Director.

It was reported that the College is on track to achieve the target for 16-18 FE. Student numbers are slightly lower than forecasted but there are plans in place for further recruitment. It is envisaged that the 16/17 allocation should be similar to the current year. There has been an increase in applications for 16/17 and this is felt to be a result of the recent Ofsted inspection. 19+ numbers are ahead of the same point last year. 16-18 apprenticeships are tracking at the same point as last year and additional funding has been requested. The College has not received a decision on this yet. 19+ apprenticeships are significantly up on last year and the College recently successfully bid for £450,000 additional funding. The College will need to think about the mid-year estimate it provides to the SFA, which will determine allocation for next year. The Principal advised that a meeting will take place in February with the SFA to discuss the allocation for next year.

HE numbers are currently in line with the target. The figure for educational contracts is benefiting from extra income from Nissan. The figure for full cost fees is currently short of target although plans are in place and the Committee was assured that the Leadership Team is focusing on this area. It was reported that income in relation to Zero Carbon Futures will diminish over the next few months. ZCF should be looking for new projects to replace the work that is currently being wrapped up. Tuition fees are up significantly on last year but are still slightly behind target. Commercial income has benefited from income generated by the HandPicked shop which took 40% of its annual income during November / December. The Committee was advised that the shop has returned a profit in its first year of operation, thanks to reduced rates and rent. The lease for the shop expires in October and the College will start discussions regarding its renewal in the next few months. In terms of overall income, the current forecast is in excess of target.

In relation to expenditure the restructuring process is continuing to drive down monthly salary costs. From the 1<sup>st</sup> April 2016 there will be an increase in employer National Insurance contributions. Expenditure on casual staff is slightly high but the College is continuing to reduce the use of casual staff, although it was highlighted that this is a very useful way to address short-term resource issues. Expenditure on pensions and restructuring has been slightly over budget but the bulk of the work has now been done and the College should be able to achieve the restructuring within budget. Non-pay expenditure is much more controlled and in line with College strategy. There has been frontloading of payments to partners.

The Chair asked about the variances between the Premises & Vehicles and Transfer Payments budget and expenditure. The Deputy Principal: Operations / Finance Director confirmed that these variances are in relation to payments to partners and projects, and the College income and expenditure statement smooths out the effect of the College's subsidiaries in these areas.

The Chair asked whether the College will break even on pay following completion of the restructure. The Deputy Principal: Operations / Finance Director confirmed that there are staff leaving in January and February and this will be clear in the January account statements.

*The report was noted.*

## **CS/87 Property Update**

**This item is CONFIDENTIAL and not for publication.**

*The report was noted.*

**CS/88 Potential Acquisition of NECC Training Limited**

**This item is CONFIDENTIAL and not for publication.**

**CS/89 Any Other Business**

The Principal advised that the College's current Strategic Plan (2013-2016) is coming to an end. The College is looking to refresh the plan and the Executive Team will be starting the process in February. This will be followed up with a Board session and then a further formal session with the Board to approve the plan for 2016-2019 in July this year. The College will ensure that the Chairs of Committees have the opportunity to input into the process and are consulted with. There is a need to ensure that the strategic position is clear. The Chair commented that having a Financial Strategy, People Strategy, Business Development Strategy and Property Strategy etc. will establish the College's vision and enable the College's management to have a framework under which to act more independently.

It was acknowledged that whilst there is a lot of activity happening externally, there is a need to maintain focus on the College's strategy. It was felt that the current strategic plan was delivered in a very clear way to staff and staff really engaged with it.

**CS/90 Date of next meeting**

The date of the next meeting was confirmed as Thursday 25 February 2016 at 12.30pm.