

Preston's College

Minutes of the Business Planning Committee meeting held on

3rd December 2015 at Preston's College.

Present

Mr P Kennedy

Mr E Bassa

Mr J Boydell

Mr S Browne

Mr M Mallam

Dr E H Smith

In attendance

Simon Nixon (Executive Director of Resources)

Stephen Fell (Clerk to the Corporation)

Carl Speight (Vice Principal – Enterprise and Engagement)

10. Welcome and Apologies

The Committee noted that apologies had been received from Leanne Hornsby

11. Declarations of Interest

No declarations of interest were made.

12. Performance Against KPIs

The Committee received a report setting out the College's performance against its Key Performance Indicators, covering Responsiveness, Quality, Financial Sustainability and HR.

REDACTED

In talking through the main aspects of the report Mr Nixon drew the Committee's attention to the absence of data within Appendix 1 and explained that this was not an error – it was due to the fact that the information was not yet available.

In closing he confirmed that the current forecasts indicated that bank covenants would be met.

In response to a question from the Committee in respect of the reasons for the shortfall in 16-18 learners and associated income, Mr Speight explained that, inter alia, for a number of reasons this was a very competitive area and the College was doing everything it could to strengthen its position.

The Committee briefly considered the College's KPIs and whether or not they were appropriate in the context of the challenges faced by the sector. The Principal and Chief Executive confirmed that learner attendance rates were concerning.

Resolved: that the report be noted.

13. Period 3 Management Accounts

The Committee received the Period 3 Management Accounts, together with a covering report and associated documentation including a cash flow forecast for the period up to July 2017 and a consolidated balance sheet.

Mr Nixon informed the Committee that the year-end forecast was to achieve a surplus of £128k. He confirmed that one of the College's fixed rate loans contained an interest rate break clause which the College had activated and, as a result, stood to make some savings.

Resolved: That the report be noted.

14. Annual Report and Financial Statements

Mr Nixon presented the Annual Report and Financial Statements for consideration by the Committee. He explained that an inquorate meeting of the Audit Committee had considered the annual report and financial statements last night from an audit perspective and that a formal decision of the Committee would be obtained and presented to the Board in due course.

Mr Browne reported that he had attended the inquorate Audit Committee meeting last night and reported that that the Internal and External Auditors had been complimentary of the College's financial management and overall financial position given the challenges faced by the sector.

The Committee considered the unexpected shortfall in success rates that had been identified at a late stage, the various reasons for this and the associated financial impact.

Resolved: That the 2014/15 financial statements be recommended to the Board for approval.

15. REDACTED

16. Any Other Business

Dr Smith reported that whilst a statement had been released regarding Area Reviews the situation was still relatively ambiguous and would be the subject of future reports as appropriate.