

## **SOUTH CHESHIRE COLLEGE**

### **MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD AT EDLESTON ROAD ON THURSDAY 11 MARCH 2010 AT 6 PM**

#### **Present:**

V Harris (Chair)  
P Swift (Principal and Chief Executive)  
J Bache  
F Ellison (from the point shown)  
L Izan  
K Lea  
P Swift  
D Wright

#### **In Attendance:**

A Fau-Goodwin (Vice-Principal Designate)  
S Wainwright (Vice-Principal, HE, Skills & Business Development)  
G Bebbington (Director of Finance and Administration)  
J Dowell (Deputy Director of Finance)  
E Davies-Jones (Clerk to the Corporation)

The Clerk advised that the meeting was quorate.

#### **F**

#### **01/10 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

#### **F**

#### **02/10 DECLARATION OF INTERESTS**

The Chair enquired whether any of the members attending this meeting considered that they held any personal interest in the items as listed on the agenda to be considered at this meeting. No declarations of interest were declared.

#### **F**

#### **03/10 APPROVAL OF MINUTES OF THE LAST MEETING AND MATTERS ARISING**

The minutes of the meeting held on 26 November 2009 were considered.

***IT WAS RESOLVED that the minutes be approved as a true and accurate record and signed by the Chair.***

**Matter Arising from the minutes of the Finance Committee meeting held on 22 October 2009:**

**Minute No: F37/09 Risk Management 2009/10**

At the meeting held on on 22 October 2009 members of the committee discussed the inclusion of a risk within the risk register concerning the risk of doubtful debts. The Director of Finance and Administration recommended to members that the resolution as recorded in the minutes should be reviewed and that members may wish to make a recommendation to the Corporation to include a risk of 10% of total debtors as 10% of turnover would be in the region of 2million

**IT WAS RESOLVED to recommend to the Corporation that a further risk concerning doubtful debts involving 10% of total debtors should be added to the risk register**

There were no other matters arising from the minutes of previous meetings which were not dealt with as part of the agenda items for this meeting.

**Francis Ellison joined the meeting at this point.**

**F  
04/10            RISK MANAGEMENT 2009/10**

Members were informed that an additional risk relating to the College's statutory duties with regard to safeguarding had been added to the Risk Register. Members considered the risk register for 2009/10 with updating comment where appropriate.

Members were informed that the Director of Finance and Administration is now leading a working group which has been set up for the purpose of developing a new style of risk register which will be more directly linked to the College's strategic aims and operations and that the outcomes from the working group will be reported to a future meeting in due course.

***IT WAS RESOLVED to note the current position in respect of the risks described in the risk register***

**F****05/10****FINANCIAL STATEMENTS 2009/10 TO 31 JANUARY 2010**

The Director of Finance and Administration presented the financial statements for the period to end January 2010, which showed:

- closing bank balance £970,000 with £28,950,000 borrowings (original estimate £1,014,000 with £27,750,000 borrowings);
- operating deficit of £110,000 which included a positive variance of £149,000 on staffing costs (compared to an original estimated deficit of £216,000);
- projected bank balance at 31 July 2010 of £1,001,000 with £27,565,000 borrowings (compared to the forecast of £1,037,000 with £20,345,000);
- summary of cashflow variances showing an overall negative variance of £458,000: receipts to date £51,000 down, LSC/ HEFC receipts £44,000 up, payments £451,000 down;
- income and expenditure account showing a positive variance of £106,000 made up as follows –
  - total income (excluding LSC/HEFCE income) down by £30,000;
  - increase in LSC/HEFCE of £1,000;
  - decrease in expenditure of £135,000;
- At the present time projected operating deficit for the year is £363,000, against original forecast of £483,000 operating loss;
- the Training Restaurant turnover is up by £3,000 compared to the same period last year, but £1,000 above budget;
- the Salon turnover is down by £1,000 compared to the same period last year and is on a par with this year's budget; and
- the Nursery turnover is £1,700 above the same period last year but £2,000 down against the increased target for the year.

The Director of Finance and Administration informed members that borrowings to the end of the year are above the original estimate because of the changes which the LSC have imposed for their payment profile.

Members noted that the receipts of the College's subsidiary company are lower than estimated as contracts which are being successfully bid for by SCEL, on behalf of the College, are being paid directly to the College.

***IT WAS RESOLVED to receive the financial statements to 31 January 2010.***

**F****06/10****STUDENT NUMBERS 2009/10 UPDATE**

The Vice Principals presented a paper informing members of the current progress to date for 2009/10 together with details of the allocations for 2010/11. Members were informed that the student numbers are currently 2683 which is 4.6% above target. The Young People Learner responsive funding is £12,205,967 which is 5.1% above target. Members were provided with details of the recruitment for each faculty for the three separate categories of learner: 16-18, adults, and higher education. Members also received details of progress for 14 -19 developments including the

development of the diplomas in the Crewe and Nantwich Consortia and the input which the College has had in two diplomas: Engineering; and Society, Health & Development. Members were informed that the projected numbers for Diploma courses for September 2010 only represent 4% of the Crewe and Nantwich school population.

Members were informed that the College is undertaking various projects to engage young people and adults within the NEET sector (people not in employment, education or training).

Members were informed that adult Learner Responsive SLN values are currently:

- 592 fully funded which is 2.7% above the target of 576;
- 565 co-funded which is 22.2% below the target of 725

The target of £3,093,848 has been re-based by £20,000 and the College will continue to monitor and model enrolments against target as the year progresses.

Members were also informed that, with regard to Employer Responsive targets including Train to Gain and NVQs, the College has now exceeded its profile for the period August to March.

With regard to Higher Education, members were informed that the numbers are continuing to demonstrate excellent growth and that current learner numbers have increased from 296 FTEs (327 learners) in 2008/09 to 326 FTEs (361 learners) in 2009/10. In answer to members' questions the Principal advised that the higher education numbers are within tolerance within the Consortium's agreed numbers.

***IT WAS RESOLVED to receive the report and to note the outturn against targets for 2008/09 and the progress made to date against the 2009/10 targets.***

## **F 07/10 TUITION FEE POLICY 2010/11**

The Deputy Director of Finance presented the paper and advised members that it is the Corporation's responsibility under the Instrument and Articles of Government to set the policy by which the tuition and other fees payable to the Corporation are determined with the Committee's function being to advise the Corporation on the College funding and its sources including tuition and other fees.

She informed members that the HE tuition fees are currently set under the umbrella agreement within the Consortium of Cheshire Colleges, and as such are restricted to the statutory basic fee for full time courses. She went on to inform members that discussions are currently taking place with the other members of the HE consortium to apply to set higher fees and to develop an access agreement for approval by the Director of Fair Access.

She then presented the draft policy which has been updated to reflect the new fees and also to reflect the change in the application process which now involves Student Finance England instead of the LEA.

Members considered the proposed HE tuition fee policy for 2009/10.

***IT WAS RESOLVED to receive the paper and recommend to the Corporation that the HE Tuition Fee Policy for 2010/11 as set out in the copy appended to these minutes is approved by the Corporation.***

**F**

**08/10**

**SOUTH CHESHIRE ENTERPRISES LIMITED (SCEL) :  
REPORT TO CORPORTION FINANCE COMMITTEE AS  
SHAREHOLDER REPRESENTATIVE**

Members considered the paper prepared by the Managing Director of SCEL and presented by the Deputy Director of Finance, informing members of the summary of the financial accounts for the period 1 August 2009 to 31<sup>st</sup> January 2010, covering the company's five key areas of activity, and as included within the consolidated South Cheshire College accounts which were considered by the Committee as an earlier agenda item at this meeting (ref: Minute No: F 05/10). Committee members noted the request made by the Vice Principal, Skills HE and Business Development, in her role as Managing Director of the subsidiary company, to present an amended Business Plan for the current year to the Corporation, as shareholder, for approval at the Corporation meeting on 25 March 2010.

***IT WAS RESOLVED to receive the report as shareholder representative on behalf of the Corporation and to note that the revised Business Plan for the subsidiary company would be presented to the Corporation for approval on 25 March 2010.***

**F**

**09/10**

**DATE OF NEXT MEETING:**

Members noted that the date of the next meeting of the Finance Committee is Thursday 24 June 2010 at 6.00 pm

There being no further business, the meeting concluded at 7.08pm.

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(Chair)

Production: 12 March 2010

Chair's Approval: 17 March 2010

Committee's Approval: 24 June 2010

Reported to the Corporation: 25 March 2010

## **Ref: Minute Number: F 07/10 TUITION FEE POLICY 2010/11**

### **South Cheshire College**

#### **Higher Education Fee Charging Policy 2010/11**

##### **1. Definition**

Higher Education (HE) programmes are defined as programmes of study at level 4 or above that are subject to HEFCE funding and fees.

The attached appendix gives a list of all such programmes available at South Cheshire College.

##### **2. Scope**

This policy applies to all learners following a directly funded HE programme on either a full or part time basis.

##### **3. Procedures**

All learners applying for an HE programme are required to pay a deposit of £100 at enrolment stage (including personal and on-line enrolments) to reserve a conditional place on the chosen programme pending Student Loans Company Fee Loan notification.

Deposits may be refundable subject to the learner and the Student Advisers receiving confirmation of a fee award as described below.

Fee discounts and incentives do not apply to HE programmes.

##### **3.1 Full time HE programmes**

Full time HE fees are set annually by South Cheshire College, within OFFA (Office for Fair Access) guidelines, currently **£1310** (home learners) for 2010/11.

Learners are expected to apply to Student Finance England (SFE) prior to commencement of their studies to be assessed for financial support for both tuition fees and maintenance loans and student grants.

A learner may elect to defer payment of tuition fees by claiming a 'fee loan' from the Student Loan Company to cover the cost of their tuition, such an award will be paid directly to the college, alternatively a learner may choose to pay their tuition fees as they study.

Learners are advised at their pre-entry interview of the maximum fee payable and are referred to the Student Advisers for guidance on how to claim support.

Once a learner has made an application to Student Finance England, the Finance Department receives electronic notification of an award for tuition fees from the Student Loan Company.

Self paying learners are offered a range of payment options including Standing Order or termly instalments. All learners paying their own fees must pay in full by 31 May of the academic year.

##### **3.2 Part time HE programmes**

Part time HE fees are set annually by South Cheshire College, the list in appendix 1 sets out fees per programme for 2010/11.

New and existing learners are expected to apply to SFE to be assessed for financial support for both tuition fees and a grant. The flow chart on the following page sets out the application process for new and existing learners.

### **New learners**

New learners must have two complete weeks attendance on course before an SFE application may be verified.

New learners undertaking an HE programme will be advised during their induction to complete an SFE application for support and take it to the Student Advisers who will verify enrolment on the course and following two complete attendance weeks will send the application to SFE for assessment.

### **Existing learners**

Learners progressing from year 1 to year 2 and/or subsequent years of study of an HE programme are advised to complete an application as soon as possible; there is no two weeks attendance requirement for existing learners. Completed applications should be taken to the Student Advisers who will verify re-enrolment and send the application to the SFE for assessment.

### **New and Existing Learners**

The Finance Department receive a weekly report of part time fee awards from the Student Loan Company.

Confirmation of either a full or partial fee award is required by 31 October of the academic year. *Learners will be invoiced within two weeks of starting the course for the appropriate fee amount and any award received will be offset against the invoice. Learners are responsible for any outstanding amount.*

Where learners infill onto an existing course part way through an academic year, they will be expected to complete an application to SFE as soon as they commence their studies and confirmation of either a full or partial fee award will be expected two months from their start date.

### **4. Overseas learners**

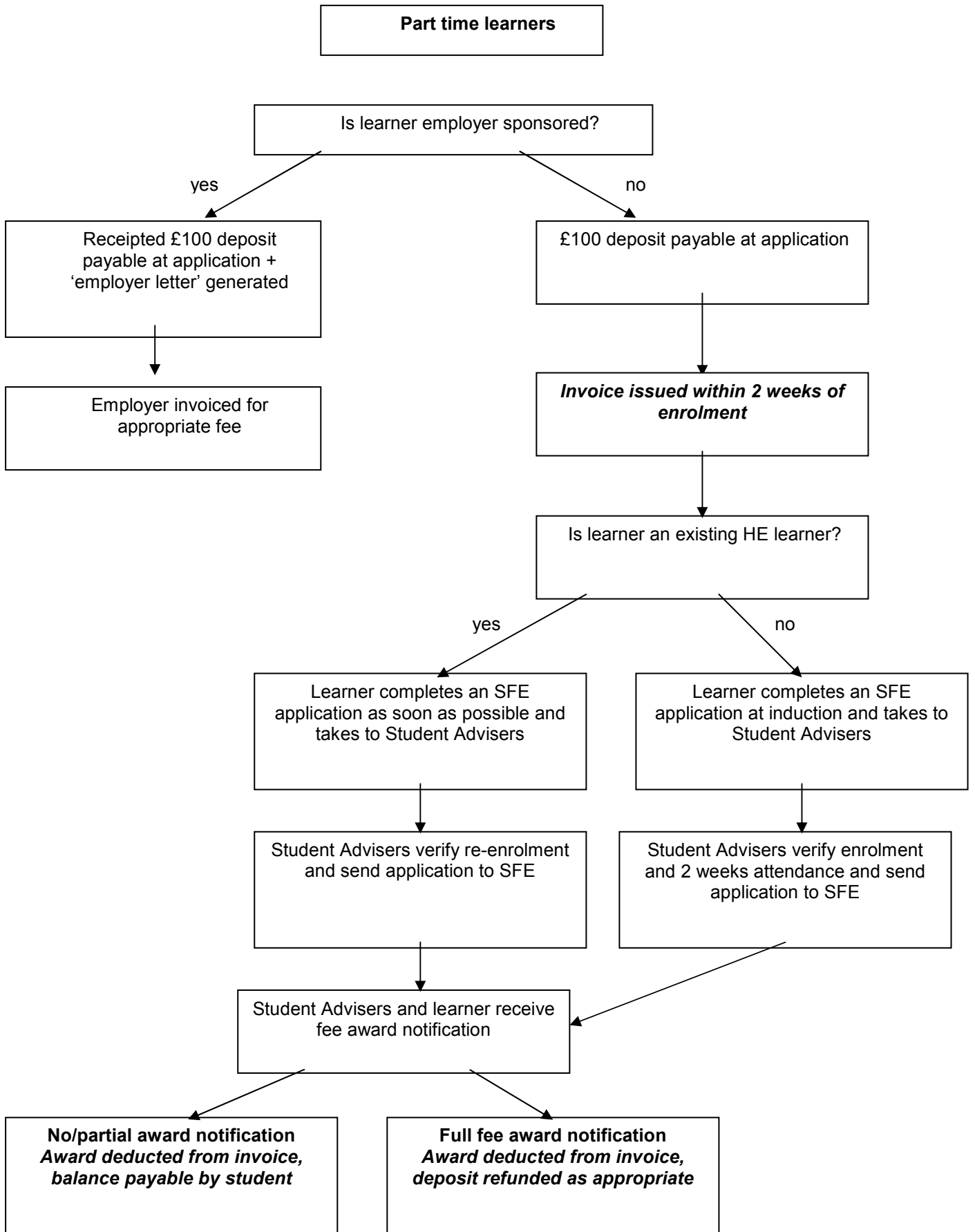
Learners from the EU\* may apply to the DfES EU Unit at Darlington to be considered for a fee award.

Overseas learners from outside of the EU will be charged the following fees in 2010/11 (equivalent to 3.2 times the home fee):

- £4500 per annum for a full time programme (2 year programmes)
- £9000 per course pro rated for number of years for part time programmes

In accordance with immigration requirements, overseas students must pay full fees for the academic year in advance of the programme commencing.

\*please see appendix 2 for a current list of EU membership



**Appendix 1**

Faculty	Award	Programme	Course Code	Duration	Home self – funding learner fee for 2010/11*	Overseas learner fee for 2010/11*
<b>ATMS</b>	FD	Construction (Wolverhampton University Franchise)	BS4140	2 years	£2000 pa	£4500 pa
	FD	Electronic Engineering	EN4160	2 years	£1310 pa	£4500 pa
	FD	Mechanical Engineering	EN4159	2 years	£1310 pa	£4500 pa
	FD	Enterprise Computing	BC1011	2 years	£1310 pa	£4500 pa
	FD	Forensic Science	New	2 years	£1310 pa	£4500 pa
<b>CAA</b>	FD	Complementary Therapeutic Practice	HD3201	2 years	£1310 pa	£4500 pa
	FD	Film Production & Management	CA2226	2 years	£1310 pa	£4500 pa
	FD	Graphics & Digital Media	CA2251	2 years	£1310 pa	£4500 pa
	Certificate	Counselling	SL0031	1 year	£1310 pa	£10.00 per hr**
<b>HASS</b>	Diploma	Counselling	SL0032	2 years	£1310 pa	£10.00 per hr**
	FD	Business Management (Evening)	BM1084	2 years	£720 pa	£4500 pa
<b>HTLB</b>	FD	Business Management (Day Release)	BM1084	2 years	£1310 pa	£4500 pa
	FD	Supporting Teaching & Learning (Evening)	BM1085	2 years	£720 pa	£4500 pa
	FD	Public & Community Services	SR3161	2 years	£1310 pa	£4500 pa
	FD	Coaching & Sports Development	SR3160	2 years	£1310 pa	£4500 pa
	FD	Tourism Management	TT3118	2 years	£1310 pa	£4500 pa
	FD	Hospitality Management	HT3181	2 years	£1310 pa	£4500 pa
	FD	Event Management	New	2 years	£1310 pa	£4500 pa

\*please note that the fee quoted is for 2010/11 and may be subject to an annual increase for subsequent years of the programme of study

\*\*please note the following visa restrictions:

Visa type (validation period)	Permitted programmes of study
Visitors (6 months)	Part time programme
Student (duration of programme)	Full time programme unless following a full time programme elsewhere then a part time programme is permissible
Working (not fixed)	Full time or part time programme

## **Appendix 2**

There are currently 27 countries within the EU as detailed below:

Austria  
Belgium  
Bulgaria  
Cyprus (Greek)  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
Germany  
Greece  
Hungary  
Ireland  
Italy  
Latvia  
Lithuania  
Luxembourg  
Malta  
Netherlands  
Poland  
Portugal  
Romania  
Slovakia  
Slovenia  
Spain  
Sweden  
United Kingdom (inc Channel Islands, Isle of Man and Gibraltar)

Future members

Turkey is currently progressing towards membership in 2010.