

**Minutes of the Meeting of the
Finance and General Purposes Committee
7th March 2011**

Present: Mr H Haines (in the chair)
Mrs L James
Mr R Gough
Mr B Davies
Mr P H Martin – (in attendance)

Half Yearly Summary Financial Information Reports to 31st January 2011

The Committee considered in detail the Half Yearly Summary Information Report prepared by the Deputy Principal (Finance/Planning) for the period 1st August 2010 to 31st January 2011.

Members noted the comments of the Deputy Principal (Finance/Planning) which included an outline of the reasons for any major variances on income, pay and non pay expenditure. In addition the Committee noted details of the summary balance sheet up to 31st January 2011 together with the cash flow projections for 2010/2011 and 1st August 2011 to 31st January 2012.

The Deputy Principal (Finance/Planning) presented the performance reports for the Refectory, Café, Vending and Day Nursery provision to date which were also noted.

WAG Letter on Further Education (FE) Funding 2011/2012 and Capital Maintenance Funding/Maintenance Allocation 2010/2011

Members noted details of the FE Funding Allocation for 2011/2012 including details of the Capital Maintenance Funding/Maintenance Allocation 2010/2011. The Committee were informed that the total allocation of FE Funding for 2011/2012 represented an overall decrease of 1.4%.

WAG Report on the Welsh FE Sector Headline Financial Position 2009/2010

The Committee noted the Welsh Assembly Government Report on the Welsh FE Sector Headline Financial position for 2009/2010 as presented by Paul Martin, Deputy Principal (Finance/Planning).

Any Other Business

Visit to China

The Committee endorsed the action of the Chair of Governors giving permission for the Principal to visit the Chongqing region of China during week commencing 28th February 2011 as part of an event organised by the British Council aimed at raising Wales' profile. Members were informed that a number of Principals of Welsh Colleges had also attended the event as part of a delegation representing Colegau Cymru.

Provision of Legal Services

Members approved the decision that the provision of legal services for the College be carried out by Morgan Cole Solicitors. It was noted that Morgan Cole Solicitors are on the Welsh Purchasing Consortium list of preferred providers of legal services.

VAT

Paul Martin, Deputy Principal (Finance/Planning) informed the Committee that the tendering process for the provision of a VAT consultancy service to the College was now complete. Members noted that the Deloitte tender submission indicated that they were able to provide the service at a slightly reduced cost to other providers. Following consideration the Committee approved the appointment of Deloitte as VAT consultants.

Lease Arrangement – Rhymney College

Paul Martin, Deputy Principal (Finance/Planning) informed the Committee that the lease arrangements for the premises used by the College at Rhymney are due for renewal and that the five year lease agreement showed no increase or decrease in the rental fees for the five year period. Members suggested that the College should obtain legal advice on the terms of the lease by negotiating the removal of some of the dilapidation clauses. In addition it was suggested that the landlord be required to sign a statement which outlined the existing condition of the premises prior to the commencement of the lease renewal.

Strategic Alliance with Coleg Gwent

The Committee in consideration of the WAG report on the Welsh FE Sector Headline Financial Position 2009/2010 concluded that the report strengthened the previous decision taken by the Governing Body at its meeting 16th December 2010 that a merger with Coleg Gwent was not an appropriate way forward for the benefit of learners in this College. Members determined that the financial position of Coleg Gwent posed an inherent risk to the learners and the finances of Ystrad Mynach College should the College merge with Coleg Gwent. The Committee felt that the risk would be even greater if it was determined that Coleg Gwent take over the running of Ystrad Mynach College as part of a Type B merger.