

Ruskin College

Minutes of the Finance Committee meeting held on Monday 9 May 2011 at 11.00am

Present: Jane Dixon (Chair)
Audrey Mullender
Teresa Munby

In attendance: Sally Courtney
Rebecca Cox (Clerk)
Chris Wilkes

- 1 Apologies for absence and welcome new members** Action
Noted: that apologies had been received from David Norman, Anne Hock and John Fray.
- 2 Minutes of the last meeting**
Approved: as a correct record the minutes of the meeting held on 4 February 2011.
- 3 Matters arising not covered elsewhere on the agenda**
Noted: that there were no matters arising.
- 4 Financial report on 2010/11**
 - 4.1 Received:** a report on the position at the end of March 2011.
Noted: the Finance Director summarised the highlights of the report, including:
 - that the accounts included an additional, unexpected amount of £109K from the SFA which had been paid on the basis that the College had forecast that it would be over-delivering. Ruskin did now need to meet its forecast and was monitoring courses carefully. Numbers were currently on target, but it would be vital to secure the necessary students on TUC and short courses. The Management Team were taking a more proactive approach looking at projected numbers up to the end of July, which was easier this year as no Summer School was being held. If at any point it looked as though targets were not going to be met, additional courses could be considered
 - that the figures for HEFCE funding now reflected the clawback in funds previously discussed
 - that pay costs included the 0.4% pay increase
 - that non-pay spend was as forecast. The College had been awarded a grant to enlist the services of a company who specialised in identifying ways of reducing procurement costs. One meeting had taken place, which had been very positive and should lead to future savings
 - that residential income was £60K below forecast and a question was posed as to whether this would have an impact on the requirement from the Co-operative Bank that the College increase its income over the next two years. It was not thought to be surprising that Headington residences were so under-occupied, as Ruskin Hall had been a building site for the past year and, also, there would be fewer rooms available from 2012 so it was inevitable that there would be an over-supply now. In addition, there were fewer short courses being held at Headington this year. The Principal confirmed that the Management Team were aware of this issue and were looking to manage it through planning where to run courses and base students next year
 - that the Finance Director was starting to think about how to manage cashflow when the new tuition fees come into force in 2012/13. The

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College would be paid later in the academic year than it was currently and could require some sort of facility to manage this in the first year

- that it was not yet known whether SFA funding would continue for those courses where the first year was currently paid, nor whether the bursary scheme would exist in the future. Ruskin was taking a cautious view of what its position could be from 2012/13 onwards. There was work being carried out to look at refreshing the curriculum offer for long and short courses and considering different modes of delivery, but many influential factors remained unknown.

4.2 Received: a report on performance against SFA cash targets for 2010/11.

Noted: that the report showed the position at 6 April 2011 for both long and short courses. The figures suggested that the College would be able to over-deliver in line with the new SFA target in relation to the additional payment of £109K already discussed. Long course numbers were higher than last year, when Ruskin over-delivered by £70K, and TUC courses were running well.

5 Funding

Received: a report on HEFCE funding for 2011/12.

Noted: that the report showed that the College's funding would be cut by 2.3% as expected.

6 Budget process

Received: draft student numbers and cash targets for 2011/12.

Noted: that the figures had not yet been to Cost Centre Managers and were subject to amendment.

- **SFA:** a great deal of work had been carried out and the figures showed that the College would over-deliver by £160K, but this was dependent on all of the courses running as planned. Recruitment for next year was going well. The Management Team were talking to the SFA, who had confirmed that the money available sits within informal learning rather than skills. Therefore cash targets would be irrelevant and there would be a return to SLN targets. A meeting to discuss this with the SFA would be taking place shortly. The Chair reported that, if Ruskin did over-deliver, funding may be available from other Colleges who were expecting to under-deliver. Students could enrol with the other institution, but from a quality and accreditation perspective they would be Ruskin students. There were issues to consider in determining whether this would be an appropriate way forward for the College and the Principal would look into this further and report back.
- **HEFCE:** the draft numbers had yet to be considered by the Cost Centre Managers meeting, but the College was constrained by the cap on the number of full-time HE students it could accept in any year. Fines for exceeding this were greater than the income that could be earned from the students in question.

AM

7 Tuition fees and charges

Received: tuition fees and charges for 2011/12.

Noted: that the SFA tuition fee remission rules would change so that only students on active benefits would qualify. This applied only to students on the Lifelong Learning level 2 course and so potential numbers were not significant, however, it could affect recruitment. The 12% increase shown for the second year part-time MA courses was to bring it in line with the first year prices once the new fees are introduced.

Agreed: that the community short course full cost fees were too low. These

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should be amended so that the fee stated did not include lunches, refreshments or bednights, which would be payable separately.

Agreed: that the College would remit tuition fees for students on short courses on income-related as well as active benefits.

Agreed: that the rental achieved for 3 Stoke Place could be too low. An independent valuation should be undertaken and the charge increased if necessary.

SC

Approved: with the above amendments, the tuition fees and charges for 2011/12.

SC

8 Access Agreement

Received: the draft Access Agreement for 2012/13.

Noted: that this had been submitted to the Office of Fair Access and would remain draft until they had approved it. The College would not be informed about this until mid-July. Ruskin already satisfied many of the widening participation criteria, but needed to focus on retention as its figures were comparatively low. The guidelines stated that those colleges who were good at widening participation should be spending between 10% and 20% of their budget on these measures. Ruskin planned to spend a little more than this, including on retention measures, partly due to the fact that it spent a large amount on outreach currently and planned to continue to do so. Retention plans would go through the AQSC and the College aimed to improve retention by 1% each year.

9 Feedback from SFA

Received: a letter from the SFA regarding Ruskin's Financial Statements 2009/10.

Noted: that, following a review of the Ruskin's Financial Plan 2010-13 and last year's accounts, a grade of "good" had been awarded by the SFA, which was the same as the College's self-assessment grade. This would not be as good next year as the cash would have been spent on the capital project.

10 Cost Centre Managers and Estates Committee

Noted: the minutes of the meetings held on 21 January and 2 March 2011.

11 Date of meetings in 2010/11

Noted: the remaining meeting date for the Finance Committee in this academic year, at 11.00am:

- 24 June 2011

There being no further business, the meeting closed at 12.20pm.