

**STRATFORD-UPON-AVON COLLEGE CORPORATION**

**CONFIDENTIAL MINUTES OF  
FINANCE AND GENERAL PURPOSES COMMITTEE  
FRIDAY 13 MARCH 2009**

<b>Present :</b>	Alan Richardson	Chair
	Mike Atkins	Governor
	Tony Jefferson	Governor
	John Latham	Governor
	Martin Penny	Principal
<b>In attendance :</b>	David Jackson	Clerk to the Corporation
	Charles Anderson	Deputy Principal
	Norman MacDonald	Vice Principal – Finance
	Kay Taylor	Vice Principal – Corporate & International Business Development
	Tim Astbury	Assistant Principal Curriculum
	Hazel Skwirzynska	Director Learner Services

**7. COLLEGE BUDGET 2009/10**

Building on discussions that had taken place at the meeting on 10 February 2009, the Principal presented more detailed proposals and the thinking behind the first draft Budget for 2009/10 that was tabled at the meeting.

He commenced by presenting a revised management structure which removed Directors of Faculty and their Deputies and introduced Curriculum Area Managers. The Committee's attention was drawn to a number of staff on maternity leave that would be affected by the proposals. The Committee was reminded of the two stage voluntary redundancy proposals including payments and, should this not elicit sufficient cost savings, the proposals for compulsory redundancies.

The Committee went on to look at the proposed Pay and Conditions Framework whereby managers would be paid on spot salaries and subject to cost of living increases. Job review or performance related pay were the only options for salary increases. In terms of academic staff, the College proposed to adopt a similar scale to the latest AoC pay scales that included progression through the pay spine linked to performance in the role. Business Support staff would be appointed on spot salaries and subject to cost of living increases. Job review or performance related pay would be the only options for salary increases.

The Principal proceeded to outline the basis for the staffing budget for 2009/10. During the course of the presentation, he responded to a number of questions and comments from Governors.

The costs and benefits of moving staff to spot salaries were explored. It was recognised that such a move avoided incremental drift and, although possibly expensive in the short term, had a long term gain.

The Committee urged College Management to look at the possibility of red circling in the assimilation process. The Committee recognised the benefits of adopting the AoC pay scale but stressed the need to ensure a sound moderation process and that the management of performance would be crucial to the success of the scheme.

The Committee commented on the need to incorporate one-off task payments for exceptional tasks as opposed to regrading.

The Deputy Principal indicated that the annual appraisal would move to January for academic staff and would take account of success rates.

The Committee stressed once again the need to ensure that the levels of performance were clearly stated and applied. Increments have to be earned.

The Principal moved to the draft Budget and worked through the income and expenditure assumptions in detail. In terms of non-pay, the Committee noted particularly the reduction in fuel costs, additional expenditure on maintenance due to likely delays in the capital budget, reduction in insurance with the deletion of terrorism insurance, and an increase in transport costs brought about by increased Summer School activity.

Taking into account all the factors discussed in the meeting, the forecast operating surplus was currently £149,000 and the Principal indicated that he was looking to increase this figure to £200,000 when the budget was presented to the July meeting.

The Principal concluded by outlining the risk factors, particularly associated with income, following which,

It was resolved **THAT:**

- a) The Finance and General Purposes Committee recommend to the Corporation the new organisational structure and new pay and conditions framework;
- b) The Committee support the continued work in relation to voluntary and compulsory redundancies;
- c) The Committee support the salary elements included in the draft Budget preparation; and
- d) The Committee endorse the first draft of the 2009/10 Budget.

Signed : .....(Chair)