



MINUTES OF THE MEETING OF THE ADMINISTRATION & FINANCE COMMITTEE

Date: Monday 14th March 2016
Venue: The Blackpool Sixth Form College
Room: Committee Room
Time: 5.30-6.50pm

Mission Statement: *"Inspiring Learning, Developing Mind and Character, Building Your Future"*

Present: Jodie Trembles (Chair)
John Boyle
Jill Gray
Murat Cobandag
Debbie Taaffe
Michael Hodgkinson

Together with: Amanda Pickup (Director of Finance and HR)
Alan Lloyd (Vice-Principal Information Systems and Resources)
Sue Hawitt (FCAT Governance Administrator)

Apologies: There were no apologies

		Action
45.2016	Preliminaries John Boyle welcomed everyone to the meeting and took the chair.	
46.2016	Declarations of Interest None declared	
47.2016	Consideration of any items of urgent business. No urgent business to consider	
48.2016	Minutes of the meeting held on Tuesday 10th November 2015 The minutes of the meeting held on the 10 th of November were approved.	
49.2016	Matters arising from the minutes not covered elsewhere on the agenda a) Annual accounts 2014-2015 (item 36.2015 from the previous minutes) confirmation that typing and formatting errors have been amended in the report	

- b) **Name of Bank** (item 36.2015 from the previous minutes) confirmation that the correct name for the College Bankers is being used.
- c) **Disaster Management Plan** (item 37.2015 from the previous minutes) confirmation that an offsite register of the recovery team contact details is provided for use when electronic versions might be inaccessible.
- d) **SORP training** (item 36.2015 from the previous Audit minutes) confirmation that the training will be delivered on Tuesday 15th march 2016

50.2016 **Management Accounts for the period ending 31st January 2016**

Directors considered the Mid-Year Re-Forecast for 2015-16. (papers 6.1 a,b,c) It was noted that changes to income were slight. The Director of Finance and HR explained to Directors the main areas of change to income. The increase in High Needs Additional Learning support to £13367 was noted, this reflects the funding agreement between college and Blackpool Council and Lancashire County Council for current High Needs students. She explained to Directors any amount of funding for High Needs students above £6000 has to be agreed with The Local Authority.

She went onto explain that it is difficult to estimate the amount of funding required for these students when setting the budget in May the previous year because the students have not yet enrolled.

Jodie Trembles joined the meeting and took the chair

There is an increase in lettings reflecting the additional income from bookings for the current year and miscellaneous, an increase for income from performance bonds and additional income for teacher release. A decrease in the Fylde Coast Teaching school reflects the arrangements in place for the secondment of staff to the Teaching School. It has been reduced to reflect a reduction in staffing agreed after the budget was initially set.

An increase to the Academy Trust takes into account the known income for the staffing arrangements between the college and FCAT. It was noted that there was more banking interest than expected.

It was noted that the main area of change to staff costs reflects the number of changes to staffing since the budget was set in May/June last year. For example, staff move onto smaller contracts or less hours, maternity savings were included in the budget, however as we cannot be sure of return dates it is always difficult to estimate the exact saving.

It was noted that small changes to support staff include, a decrease in MIS because of a gap between appointments and a saving on the Head of ALS offset by changes to other contracts and responsibilities. A significant change in hardship and transport support was noted, the bursary fund has been decreased as there has been a reduction in the number of students receiving bursaries this year.

Changes to gas and electricity were noted, prices have been renegotiated and the college will continue to see cost savings for the remainder of the year due to switching to a new provider from 1st March 2016

It was noted that the cost of staff development has increased by £5000, applications for long or expensive courses are approved by SLT to ensure they are worthwhile.

It was noted that the original 2015-16 budget included asset additions of £50,000, so far this year, the following projects have been approved by the Finance panel and SLT:

Reception-£18,000

Reception Fittings and Furnishings-£10,000

Boilers -£13,200

Tannoy-£27,000

It was noted that the surplus stands at more than £400k and that the financial health of the college for the period to the 31st January 2016 remains outstanding. Directors noted the expected substantially reduced surplus in the next financial year and the danger of a deficit. They discussed the possibility of bringing some planned expenditure for next year forward into this year.

Directors are mindful of the substantial income and expenditure reserve of £9.2m (after FRS17 and before revaluation reserve) and the cash holding of £3.6m (both as at end July 2015). They also examined the cash flow projection which indicated that the current cash balances were substantially in excess of that required for operational purposes and of that needed to maintain the 'Outstanding' Financial Health grading. No material capital expenditure is currently envisaged. As a substantial I&E surplus in the current year is predicted it was agreed, exceptionally, that certain expenditure that would have been incurred in the next financial year be brought forward to the current year. This would reduce the expected surplus in the current year and reduce pressure in the next. It was agreed that £200k of expenditure planned for the next financial year be brought forward into this year, the specific items to be authorised by the Principal.

Questions from Directors

In response to a question about staff leaving and not being replaced and what the impact of this would be, Director of Finance and HR explained that, there is never an empty timetable and teaching time is planned so that members of staff are not overstretched. She went on to explain that planning the timetable is a complicated process due to the fact that until enrolment student choices are not known. Predictions are made on application statistics but these are subject to change.

Asked how staff might be reduced in light of the changes to timetabling, SLT have already started to discuss this and are confident this will occur through natural wastage.

Asked about the known reduction in funding for 2016-17 of £500k it was noted that this will impact reserves unless the reduction is fully matched by a decrease in expenditure. Detailed work is ongoing to ensure that any necessary savings are made.

Directors requested that EFA Funding Formula Protection be itemised in income for future forecasting

AP

Directors requested that the FRS 17 liability and reserve be added to the balance sheet for management reporting but accepted that no movement on the liability would be expected to be accounted for during the year.

AP

In response to a question about students commenting on difficulty getting to college, the Director of Finance and HR explained that, regardless of background all students living 3 miles away from the college are eligible for subsidised transport.

In response to a question from Directors it was noted that Student Finance has been promoting the bursary to reach out to any students who may not have applied earlier but may be eligible.

D1: Resolved: to recommend the management accounts and the reforecast budget for the period ending 31st January 2016 to the corporation for approval.

D2: Resolved: Directors agreed to bring forward £200k from reserves to spend at the discretion of SLT.

51.2016 Health and Safety Report No 2

Directors considered the second Health and Safety report for the year (paper 7.1) Vice-Principal, Information Systems and Resources, explained to Directors that since the report an unplanned evacuation had taken place. On the whole the evacuation went smoothly apart from a group of students who exited from Café 6 and then re-entered the main building to cut through to the front of college. Actions have been put in place to ensure this does not happen in the future. It was noted that, although risks cannot be entirely removed every effort is made to keep risks to a minimum. All staff have mandatory Health and Safety training at induction which is delivered by the H&S Manager and updated at regular appropriate intervals. Discussions are taking place to move to an e-learning model for all H&S training. This will ensure all staff complete the relevant training programme appropriate to their individual needs.

Questions from Directors

It was noted that the take up of students asking for First Aid Courses is exceptional, as a result there are a lot of staff and students with First Aid Qualification attending the college. Directors asked if the H&S report could reflect these numbers in the future.

AL

52.2016 Utilisation of Resources Report

The Vice-Principal provided a summary of the Classroom Utilisation Report 2015-2016 (paper 8.1) and explained that the calculation is complicated and the figures generated always appear low. Using a classic calculation which was derived in the 1980's each student would take up 1.2 sqm of space which explains why utilisation is only 38%. Having looked at frequency of occupation per week 88% of classrooms at the college are used, this could probably be increased to 95% but would mean lessons being taught in different rooms which will have an impact on punctuality for staff and students due to relocating.

He went onto explain since the construction of phase 5, the college now has 4 spare classrooms.

Questions from Directors

In response to a questions about the percentage and how the four spare classrooms were represented, the Vice-Principal explained that the four classrooms were not included in the calculation at present, however they give the college reasonable growth capacity to meet the demographic growth in 2020. It is estimated that the college will have sufficient capacity for the next 6-8 years.

In response to a question about the difference in class sizes the Vice-Principal explained that this would not be picked up as each class would have equal weighting.

In response to a question about the impact on the figures affecting funding it was noted that there is no impact on funding and that in fact these figures are no longer a statutory requirement. However, Directors want to ensure that the college space is used innovatively and effectively.

53.2016 Staffing

Directors considered the latest staffing update (paper 9.1) which focussed on Performance Standards Payments (PSP) Pay rise summary and Staff Awards. The Director of Finance and HR explained that out of the 86 applications for 2015-16 one applicant was unsuccessful. She explained that Teacher's PSP payments become part of their salary whereas support staff standards payments are a one-off payment.

It was noted that Directors were satisfied with the pay awards.

It was noted that the process for the staff awards has changed in response to consultation with staff. Each department nominated one person for each of the 3 awards and the Senior Leadership Team decided on the winners.

Questions from Directors

In response to a question about continuous service it was noted that there was an increase in the 0-2 years and a decrease in 3-5 and 6-10 years which is what you would expect.

In response to a question about the rate of staff turnover the Principal explained that although the turnover of staff at the college is healthy she is surprised more staff are not seeking promotion. Some staff have returned to the college after seeking employment elsewhere which sends out a good message. There are lots of examples of this and it was suggested that this data be collated and put into the report in the future.

SLT

54.2016 Review of any new risks

The loss of the Director of Finance and HR on the college staff was noted as a new risk.

55.2016 Date and Time of next meeting
Thursday 19th May 2016 at 5.30pm

Signed _____

Date _____