



MINUTES OF MEETING OF THE ADMINISTRATION & FINANCE COMMITTEE

Date: Wednesday 13th March 2013
Venue: The Blackpool Sixth Form College
Room: Committee Room
Time: 1730hrs - 1840hrs

Present: Mr P Welsh (Chair)
Mr J Boyle
Mr G Canning
Mr S Davies (Vice-Chair)
Mr A Goodinson

Together with: Mr A Lloyd (Vice-Principal Information Systems & Resources)
Mrs A Pickup (Director of Finance & Personnel)
Mrs JA Trainor (Assistant to the Clerk to the Corporation)
Dr J Burgess (Clerk to the Corporation)

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| | | Action |
| 1.2013 | Welcome & apologies
The Chair extended a warm welcome to Mr Ash Goodinson to his first meeting of the Committee. There were apologies from Ms F Greeves and Ms Helen Harrison. Mrs C Bellamy did not attend. | |
| 2.2013 | Declaration of Interest
None. | |
| 3.2013 | Consideration of any items of urgent business
None. | |
| 4.2013 | Minutes of the meeting on the 28th November 2012
(Paper A)
4.2013. D1 Resolved: that the Minutes be approved. | |
| 5.2013 | Matters arising from the Minutes of the Meeting held on the 28th November 2012
<i>51.2012 Breach of Data Protection</i>
The Vice-Principal advised that a letter from the Information Commissioner's Office dated 21 st January 2013 stated that no further regulatory action was being taken. The necessary actions originally identified by the College, along with staff training in data protection, should be implemented without delay. However, if a similar incident occurs in future, this breach would be taken into consideration prior to deciding if formal action was appropriate. | |

**38.2012 Holland Building Fire
(Paper B)**

Governors reviewed a schedule of all costs associated with the fire, noting that the College was required to pay £1,000 insurance excess and £1,200 for computer cleaning. The Chair wondered if this would impact upon future increased insurance premiums. The Director of Finance explained that the College was in the process of re-tendering insurance services and this claim should not impact upon the process. It was confirmed that all other actions had been completed.

5.2013. D1 Resolved: that the Holland Fire Report be received

6.2013 Management Accounts Period 6 ending 31st January 2013.

(Paper C)

The Director of Finance alerted Governors to a number of adjustments that had been included into the revised budget forecast for the remainder of the current financial year. As a consequence the net budget surplus for the year had moved to £332k. The most significant savings have arisen from the staffing budget where contingencies have not been required. She explained that after the early stages of the budget process, a number of subsequent staffing amendments do occur which now require correction. In addition, a small number of errors had been identified and a few account transfers were necessary.

The Chair asked if a similar sized contingency would emerge in six months time at the end of the financial year. Whilst it was inevitable that changes would happen, coupled with the Director of Finance's prudent and cautious approach, it was hoped that the size of future contingences would be minimized. Governors' attention was drawn to the size of the pay increases as a consequence of incremental progression and awards.

Governors considered if an explicit statement was required to explain why the College was building up funds. It was explained that the next allocation of capital, along with funding projections, should be known shortly and thereafter, Governors can better prepare for the inevitable "cliff edge drop" in funding per student.

The main non-pay budget areas were explained, reviewed and similar assurances were given that a strict and critical assessment was made across all cost headings. Clarification was provided in response to Governors questions regarding computing costs and the £500k cash deposit.

6.2013 D1 Resolved: that the Management Accounts Period 6, including the budget re-forecast, be approved.

7.2013 Property re-development strategy.*(Paper D)*

The Director of Finance tabled the latest Cost Report on the Sports Hall Refurbishment. She anticipated that it should be finalized within the budget. The Project had gone reasonably well, despite going over time due to delays encountered by the contractor.

The Vice-Principal updated Governors on the position of the £180k of disputed items associated with phases 3 & 3a. Legal Advisors had forecasted the likely chances of success per disputed area. Formal Adjudication, with associated fees and costs, would be the final stage. However, a pre-Adjudication meeting had been requested and the SMT had met to consider their position.

See also confidential minute.

7.2013 D1 Resolved: that the Sports Hall Refurbishment Spend Analysis be received.

7.2013 D2 Resolved: that the Management Team meets with the Contractor regarding the Phase 3 & 3a disputed items.

8.2013 Staffing Update – March 2013*(Paper E)*

The Director of Finance & Personnel highlighted a number of points within a succinct personnel update advising Governors of:

- a) Recent Performance Standards applications and payments
- b) A summary of pay rise increases to date
- c) Staff Awards
- d) Long Service Award
- e) A Continuous Service Profile as at 1st September 2012

8.2013 D1 Resolved: that the Staffing Update / Performance Management – March 2013 be received

9.2013 Updated Financial Regulations*(Paper F)*

Governors had received in advance of the meeting an emailed version of the full updated Financial Regulations. In addition, a very detailed and comprehensive summary of the changes had been circulated with the papers for the meeting.

The Director of Finance explained the changes made due to funding body and legislative matters and those made to accommodate the College's new accounting system. Governors noted and were comfortable with the processes for orders under £100 and the current arrangements involving the Director of Finance.

The Chair asked if the College had a statement about procurement from local suppliers as part of a wider social responsibility commitment. Governors believed that it would be appropriate to steer the College to assessing supplies sourced locally.

Director of
Finance
To action

9.2013 D1 Resolved: that, the Update Financial Regulations be approved.

9.2013 D2 Resolved: that, the Financial Director be invited to draft a short statement regarding using local suppliers for future consideration by the Committee.

Mr Boyle left the meeting.

10.2013 Health & Safety Report No 3
(Paper G)

The Vice-Principal Information System & Resources stated that there were no major Health & Safety issues within the Report and two security breaches. He drew attention to the additional Fire Practice Report from 22nd November 2012, which had gone very well. The next fire practice is scheduled for the end of March 2013 after which a review will be undertaken. A report will subsequently be made available for the June 2013 Committee, from which a statement would be prepared for the Corporation.

10.2013 D1 Resolved: that the Health & Safety Report No 3 be received.

11.2013 Any other business

Property Re-development Strategy - Potential Phase 4

The Vice-Principal advised that the College should be informed, within the next three weeks by the EFA, of the result of its latest capital bid for £1.5m. There is no indication at this stage as to whether the full amount will be forthcoming in the event of a successful bid, or whether it will be a percentage of the £1.5m. It would, therefore, be helpful to have an authorization from the Corporation of the maximum additional sum the College could co-invest in a potential Phase 4. This would enable a judgement to be made quickly as to whether a Project could go ahead and to what design specification.

During discussion it was identified that additional costs in relation to an Asbestos Survey and new Fire Escape would be incurred. It was agreed to ask the Director of Finance to reflect on the size of this possible capital commitment given the College's uncertain financial future and advise the Corporation later in the month.

Director of
Finance
To action

11.2013 D1 Resolved: that a statement be prepared for the Corporation indicating the maximum sum available from College funds for a potential Phase 4 project. Further work to be undertaken in time for the Corporation meeting on the anticipated cost of a Phase 4 project.

12.2013 Any other business

Informal Review of the meeting.

Governors reflected on the process, outcomes and impact of the meeting. There were concerns about the timing of the meeting, as two members did not attend. Governors found the papers very comprehensive, well prepared and informative. They greatly appreciated the extensive commentary provided by the Director of Finance on the Management Accounts. The routine Health & Safety Reports were succinct and factual. The incoming Staff Governor and Student Governor, (both none financial experts) confirmed they found the meeting interesting, easy to follow and useful. Governors considered it to have been a successful meeting, very well chaired but requested digital access to the agenda and papers as soon as possible.

13.2013 Estimation of New Risk

The Chair concluded that there were no new risks identified.

14.2013 The next scheduled meeting is Wednesday 19th June 2013 at 1700hrs.

Members
Please note

The Chair thanked members for their attendance, contributions and closed the meeting.

Signed: _____

Chair: _____

Date: _____