



MINUTES OF MEETING 87 OF THE ADMINISTRATION & FINANCE COMMITTEE

Date: Wednesday 16th June 2010
Venue: The Blackpool Sixth Form College
Room: Committee Room
Time: 1630hrs - 1825hrs

Present: Mr P Welsh (Chair)
 Mr T Bateson
 Mr J Boyle
 Mr S Davies
 Mr C Hodson
 Ms F Greeves
 Mrs S Walsh MBE

Together with: Mr M Kimber (Student Governor designate observer)
 Mr A Lloyd (Vice Principal)
 Mrs A Pickup (Director of Finance)
 Mrs JA Trainor (Assistant to the Clerk to the Corporation)
 Dr J Burgess (Clerk to the Corporation)

	Action
<p>13.2010 Preliminaries The Chair welcomed Michael Kimber to the meeting. There were no apologies.</p>	
<p>14.2010 Declaration of Interest None were declared.</p>	
<p>15.2010 Consideration of any items of urgent business There were two additional items of urgent business. A draft staffing proposal which could be considered as item 9.2 and a confidential issue which would need time at the end of the agenda. It was agreed to proceed with these items on this basis.</p>	
<p>16.2010 Minutes of the meeting on the 3rd March 2010 <i>(Paper A)</i> 16.2010. D1 Resolved: that the Minutes be approved.</p>	
<p>17.2010 Matters arising from the Minutes of the Meeting held on the 3rd March 2010 <i>24.2009 Issues from the PFM Audit 2009 – assessment of the in-house MIS – Paper B</i> The Vice Principal (Resources) explained the background to the review, which assessed the vulnerability and effectiveness of the in-house MIS against commercial systems. Using benchmarking data from three other Colleges, the capital and annual costs of the College's in-house provision had been analysed. Despite the difficulties in gaining comparable data, the Report demonstrated that the College's system, with no capital outlay and no annual licence provided a cost effective provision.</p>	

In addition, the system was now less at risk, due to dependency on a very limited number of people, because of two new IT appointments, also the extensive staff development programme to transfer the skills of the developer to others in the team and the rigorous approach to technical documentation.

It was proposed that this information be shared with the Risk Management Champion and undertaken routinely every few years.

Risk
Management
Champion

17.2010. D1 Resolved: that the Report on the MIS be received.

55.2009 Re-tendering for Catering Services from August 2010

The Vice-Principal reported that the Evaluation Panel, comprising senior management and the Vice-Chair of the Corporation, had met each of the short-listed companies and had awarded the contract to Taylor Shaw. A guaranteed return of £15k per annum was an important consideration, as was their good understanding of the student market, strong commitment to healthy food and improving quality. The new contract would be closely monitored over the first year against agreed key performance indicators.

18.2010 Management Accounts to 31st May 2010, and cash flow statement.

(Paper C & D)

The Finance Director introduced the management accounts for the ten months of the financial year, which currently show a surplus of £772k. Close monitoring of the pay budget, reduced interest costs along with a short-term loan of £1.150k from the LSC, significantly improved the forecasted outcome. She noted that the final part of the pay award had been paid, all Departments had received their final allocation and there were only routine payments over £40k.

It was confirmed that the College would be moving over to more online-based staff recruitment to save on expensive advertising costs and that sufficient contingency was in place to cover the re-branding project.

The Committee reviewed the better than forecasted Cash Flow Statement and the projections for the next twelve months.

18.2010 D1 Resolved: that the Management Accounts for the period ending 31st May 2010, and Cash Flow projections be received.

19.2010 Proposed Budget for 2010 / 11 and forecast until 2012-13

(Paper E)

The Director of Finance tabled an updated summary and pay cost breakdown and discussed the amendments in Additional Learner Support, exam fees and transport cost estimates. The latter item was subject to further discussion by SMT. Income projections were based upon the best intelligence at the moment, and significant allowances had been made for pay increases. It was hoped to secure additional teaching posts to handle the expected numbers, a half post Management Accountant and additional staffing resources in Student Support.

The Governors scrutinised all key cost areas along with the rationale for the proposed forecast. The impact of the forthcoming national budget announcement from the new coalition Government may necessitate some further adjustments. Should this be the case, an electronic update would be sent to members for comment and agreement prior to the meeting of the Corporation.

19.2010 D1 Resolved: that the **Proposed Budget for 2010 / 11 and forecast until 2012-13 be received and agreed in principle.**

20.2010 Updated Financial Regulations

(Paper F)

The full set of Finance Regulations had been forwarded earlier to Governors electronically, and the Director of Finance highlighted the changes and the reasons for them, particularly Purchase Orders, educational trips and Journal entries. A number of changes were related to the demise of the LSC, though not all the new national arrangements and associated documentation had been amended.

It was noted that the Financial Reporting Council's new UK Corporate Governance Code would replace the Combined Code later this month.

20.2010 D1 Resolved: that the **Updated Financial Regulations be approved.**

21.2010 Update on Staffing – June 2010

The Principal reviewed the key staffing changes made over the year and the additional posts for the forthcoming year. The practice of appointing new staff to a one year contract has been beneficial with six of the twelve one year appointments in August 2009 now being moved to permanent contracts. The eight planned maternity leaves from September 2010, including five managers, now created additional challenges and had prompted a proposed revised guideline, see below.

21.2010 D1 Resolved: that the **Update on Staffing – June 2010 be received.**

22.2010 Guidelines for request for reduced contract in line with the College's flexible working policy

The Principal tabled a draft discussion document, which was being discussed with the Staff Consultative Committee later in the week. It sought to maintain the flexibility of staff to request a reduced contract whilst recognising the imperative to address business leadership needs. Governors were comfortable with the draft proposals and hoped this could be successfully introduced.

23.2010 Health and Safety Report and updated Policy

(Paper H and I)

The Vice-Principal introduced the Health and Safety Report for the period from February to May 2010 and highlighted the key features of the Report. The issue of the student who refused to evacuate was discussed.

The Director of Finance alerted Governors to an on-going insurance case which was continuing.

The updated Health and Safety Policy was reviewed and approved.

23.2010 D1 Resolved: that the **Health and Safety Report February - May 2010 be received.**

23.2010 D2 Resolved: that the updated **Health and Safety Policy be approved.**

24.2010 Policy on Examination Fees

(Paper J)

Governors requested that further work be done on this policy, which attempted to describe the outcomes and actions relating to the non-attendance at an Examination under a variety of circumstances.

- Clarification was necessary about the number categories (3 or 4)
- Removal of references to detention by the police
- Re-drafting to improve the wording of the criteria
- Recognition that obtaining Medical Certification is no longer straightforward and could be costly.

25.2010 Accommodation update – Phase 3

The Vice Principal reported that the Accommodation Working Party had reviewed the tender process for the Main Contractor and appointed ISG Plc, based upon the lowest price submitted and high standard of their construction sites.

The College has received all approvals from the Local Authority in connection with the build and the financing of the Project. Three additional classrooms are being incorporated into the scheme but within the Corporation's overall budget approval. Preparation of the site will commence at the end of June, demolition on the 19th July with anticipated completion on the 22nd July 2011.

A communication strategy is in place covering all key stakeholders and the work to convert the current Concert Hall to a refectory will be undertaken with local contractors and the College's Estates Team.

26.2010 Election of the Chair and Vice-Chair of the Administration and Finance Committee for the academic years 2010/11 and 2011/12.

Following nominations and seconding, Mr Philip Welsh was re-elected Chair and Mr Steve Davies elected as Vice-Chair.

26.2010 D1 Resolved: that Mr Philip Welsh be re-elected Chair of the Administration and Finance Committee for the academic years 2010/11 and 2011/12.

26.2010 D2 Resolved: that Mr Steve Davies be elected Vice-Chair of the Administration and Finance Committee for the academic years 2010/11 and 2011/12.

27.2010 Estimation of Risk

Mr Boyle observed that in the light of the national, regional and local political uncertainties and the very significant financial funding questions, the College's Strategic Plan and Budget will need to be flexible and living documents in order to adapt to the changing circumstances.

28.2010 Date of the next scheduled meeting is Wednesday 13th October 2010

Members
Please note

All staff and students left the meeting prior to the consideration of a confidential matter.

Signed: _____

Chair: _____

Date: _____