



Mission Statement: *Inspiring learning, developing character, building futures*

MINUTES OF THE MEETING OF THE ADMINISTRATION & FINANCE COMMITTEE

Date: Monday 6th March 2018
Venue: The Blackpool Sixth Form College
Room: Committee Room
Time: 5pm-6pm

Present: Mr J Boyle (Temporary Chair)
Ms J Gray (Principal)
Ms C Coyne

Together with: Mr A Lloyd (Vice-Principal: Information Systems and Resources)
Ms L Gates (Head of Finance)
Ms A Crumblehulme (Head of HR)
Ms S Hawitt (Governance Administrator-FCAT)

Apologies: Ms A Hall, Mr M Waterhouse and Mr R Hill

		Action
39.2017	Preliminaries The Chair welcomed everyone to the meeting and explained the position of Chair is a temporary one until a permanent Chair is recruited. Apologies were noted	
40.2018	Declarations of Interest There were no declarations of interest	
41.2018	Consideration of any items of urgent business. There were no items of urgent business to discuss	
42.2018	Minutes of the meeting held on 15th November 2017 The minutes of the meeting held on 15 th November 2017 were approved	
43.2018	Matters arising from the minutes not covered elsewhere on the agenda a) Directors Financial Report –(item 32.2017 from the previous minutes) Management Accounts period ending September 2017 -confirmation borrowings as a percentage of income (7%) is identified in future reports Year-end reconciliation July 2017 -confirmation amendment had been made to the overall reserves policy and confirmation correct figures for Jodie Trembles is showing in the same report	

- b) **Key Performance Indicators**-(item 35.2017 from the previous minutes) confirmation amendments had been made to the KPIs 2016-17 and 2017-18
- c) **Terms of Reference**-(item 36.2017 from the previous minutes) confirmation amendments were made to the Terms of Reference for this committee

44.2018 Letter from Peter Lauener

Directors noted a letter from Peter Lauener (Chief Executive and Accounting Officer of the Education and Skills Funding Agency) The Principal informed Directors that the college Finance Panel had scrutinised the letter to give assurance to the Governing Body that all responsibilities are being met.

45.2018 Directors Financial Report

Management Accounts for the period ending 31st January 2018

The Head of Finance gave a brief summary of the format of the management accounts for new members of the Admin and Finance committee, it was agreed she would meet with new members to give them some financial information about the college.

The Head of Finance gave Directors a breakdown of the Mid-Year Reforecast 2017-18 (paper 8.2) highlighting the following:

The main variation is to the reduction in the deficit budget of £155K (1.5% of income) the revised deficit budget is £3k, there is a possibility that college may make a small surplus for 2017-18, particularly if the contingencies are not utilised.

Directors were informed of the variations in the funding body grants which included an increase of £10k from the Local Authority high needs income based on agreements now in place with Lancashire and Blackpool authorities for the high needs students on roll.

Bursary income has increase by £80k which comprises of £59k unspent funding brought forward from 2016-17 and £21k claimed for Guaranteed Bursaries.

The Devolved Capital Formula (DCF) funding has increased by £12k, which reflects the actual amount received by the Education and Skills Funding Agency (ESFA)

Directors were informed that tuition fees education contracts had increased by £7k and other grants and contracts from £0k to £56K other exceptional costs had been updated to include all current income to date.

The main variation to other income is the increase from £170k to £221K

This reflects the income receivable for staff working for Fylde Coast Teaching School Alliance (FCTSA) but employed by Blackpool Sixth Income from Ofsted work by the Principal and Deputy Principal has been reduced as less inspection work has been undertaken than anticipated.

Directors were informed of the main changes to pay costs which included an increase of £43k (0.4%) of the income overall, the Head of Finance gave a breakdown of the key staff changes. It was noted that the NJC Support Staff Pay Agreement had agreed a 1% pay rise for support departments and the teachers pay award had now been agreed by SFCA at 2% for scales 1-6 and 1% on these from 7 and above. The 2017-18 budget did not include a pay increase and SLT have therefore carefully considered the impact of the recommendation on 2017-18 and future years. The overall additional cost would be £71k for 2017-18

Directors were informed that academic allowances have decreased by £4k due to less students on roll than budgeted, therefore reducing curriculum costs. There is a budget for curriculum equipment renewals, which may not be fully required this year. Staff development has reduced by £11k due to fewer course applications than first anticipated, it was noted that there are lots of internal development opportunities available through the Teaching School Twilight Programme.

Teaching and other costs were explained to Directors, including an increase of £92k to the bursary and access fund, additional income was allocated for this for the year, however as there have been an increase in students enrolling on the bursary scheme (12.5% increase from 2016-17) costs are much higher than anticipated.

It was noted that computer costs have decreased by £11k, this comprises of a reduction of £18k and an increase of £7k from income generated through the sale of old iMacs.

It was noted that Administration sundries has increased by £1k to enable college to participate in SFCA research project which will hopefully boost recruitment and drive up retention. HR has increased by £25k it was noted that TES adverts have increased in number and in price, however college are advertising internally and on the college website for vacancies where appropriate.

The essential maintenance budget had been reduced by £23k.

Directors were informed that the intention to improve site security by installing door access control on various entrances throughout the building and erecting additional fencing will give more security at a reasonable cost.

Examination fees budget had been reduced by 95k, it was noted that when the budget was set, examinations were undergoing a period of dramatic change making it difficult to predict examination costs.

The Head of Finance explained to Directors the impact on the loan covenant and the difference between the college calculation and the bank calculation. The reforecast illustrates that college will not make a deficit under the terms of the loan covenants and demonstrates that college is in line to meet the financial health target of 'good' for 2017-18, possibly 'outstanding'

Questions from Directors

In response to a question about when the pay award would come into effect it was noted that the pay increase would be backdated from September 2017. It was noted that staff costs are 68.99% of total income for the full year.

Directors were pleased with the financial health target of good and that the college remains cash positive

Asked why the difference between the original budget and the reforecast on the Statement of Comprehensive Income on page 10 of the report was not showing on the balance sheet it was confirmed that the reason the balance sheet reforecast wasn't shown was because the college have historically never re-forecasted and updated the balance sheet in the monthly accounts.

The Chair thanked the Head of Finance for the report

45.2018 D1 Resolved: recommend management accounts for the period ending 31st January 2018 to the corporation for approval

45.2018 D2 Resolved: recommend the mid-year reforecast 2017-18 to the corporation for approval

46.2018 Staffing Update

Directors considered the latest staffing update (paper 9.1) and the Gender Pay Gap Analysis (paper 9.2) presented by the Head of HR which focused on support staff standards payments, pay rise summary and staff awards. The Head of HR invited questions.

Questions from Directors

Asked about the difference between applications/ eligibility and achieved SSSP it was noted that one member of staff did not receive the payment based on performance concerns. Directors were informed that applications are no longer required in a bid to reduce unnecessary workload. Each member of support staff were considered based on eligibility in terms of length of service.

Asked about the differences in the overall hourly rate breakdown between male and female and the high percentage it was noted that the high percentage difference represents the significant number of females in part time support roles, such as in-house cleaners and invigilators, which tend to be on the lower points of the Sixth Form Colleges (SFC) pay scales.

47.2018 Health and Safety Report 2 of 4

Directors considered the Health and Safety Report No 2 of 4 (paper 10.1) and the Fire Evacuation Safety Report for December 2017 (paper 10.2) presented by the Vice Principal: (VP) Information Systems and Resources, Directors were invited to ask questions.

There were no questions to answer.

48.2018 Carbon Footprint

Directors considered the latest report on college's carbon footprint (paper 11.1) presented by VP: Information Systems and Resources. It was noted that the report shows a reduction in the colleges carbon footprint from 2015/16 of 5.3% savings were identified as; electricity consumption down by 5.7% and waste down by 3.2% with landfill below 200 tonnes for the first time since this report was commissioned. Solar PV systems installed on the Holland and Sports Hall buildings reduced GHG emissions by 9.07 tonnes

Questions from Directors

In response to a question about whether the report is shared with students, it was noted that discussions could take place within the Pastoral Mentor sessions and information could be shared within the Staff and Student weekly bulletin

49.2018 Identification of new risks
No new risks were identified

50.2018 Date and Time of next meeting
Wednesday 27th June 2018 at 5.00pm

Signed _____

Date _____