BARTON PEVERIL COLLEGE
Finance and Employment Committee
Minutes of Meeting held on
Monday, 20 June 2011 at 5.30 pm

Present:
Mr S Gardiner (Chair)
Mrs S Anderson from 5.35 pm
Prof R Brown
Miss S Campbell
Mrs K Everett
Cllr K House
Mr J Prest
Mr D Quinney

In attendance:
Mr N Groves (Vice Principal)
Mr G Miles (Director of Finance)
Mrs C Spires (Human Resources Manager)
Mrs J Miles (Acting Clerk and PA to the VP)

Apologies:
None

Absent:
None

Action

58 Declaration of Interests

No member of the Committee had anything to declare relating to the items on the agenda.

59 Equality and Diversity Issues arising from the agenda

The Chair reminded members to consider Equality and Diversity issues when considering items on the meeting's agenda.

60 Minutes

60.1 The Minutes of the meeting held on Monday, 9 May 2011, were approved and duly signed by the Chair.

60.2 Matters arising from the minutes had been auctioned, other than the consideration of Clerking arrangements which had been deferred to the next meeting. The updated Action Points sheet would be kept with the Committee papers.

61 Monthly Finance Monitoring Report – CONFIDENTIAL PAPER

61.1 The Director of Finance (DF) presented his Paper which showed that the forecast

outturn was less than had been predicted. Questions were asked about:

- equipment purchases – some IT equipment purchases had been brought forward from the next academic year
- the Employer Responsive programme – rules had been changed which had made it difficult to earn so some services had been subcontracted (still making a profit) in order to secure funding for the future
- the severance payment under staffing – this was better described as staff development than staffing
- the projected outturn figure

61.2 *Mrs Anderson arrived at this point*.

61.3 The Vice Principal (VP) explained the system of cascading down IT equipment and the criteria for writing off the cost of old IT equipment in the accounts.

61.4 Members noted the content of the Report.

62 Financial Health Scoring Mechanism – Revision

62.1 The DF presented his Paper, pointing out that the revision made the three ratios cash orientated giving a truer reflection of the College's position. In time the revisions may affect the Performance Indicators (PIs) as some non-cash items are taken out of the equation in certain areas.

62.2 Members noted the revisions and the potential effect upon the PIs.

63 Budget Preparation

63.1 Draft Budget – CONFIDENTIAL PAPER

The VP stated that the Budget was written with a long term view, taking into account the effects of the Comprehensive Spending Review (CSR). A series of iterations had been considered eg:

- if parity of pay was achieved between school teachers and college teachers
- if the impact of the changes to the Educational Maintenance Awards affected recruitment

63.2 Some unknowns were identified such as:

- funding for JANET, the College's high speed internet link
- rising utilities costs

63.3 Risks such as Free Schools and Academies were also considered. Questions were asked about:

- staffing costs, which were affected by taking catering in-house
- which areas had been trimmed and the associated sensitivities
- potential savings, many identified by the Subject Departments

63.4 Members were reminded that the Discretionary Support Fund was not included in the Budget.

Agreed Action

- **A section would be added to give Governors a better feel for the context, including the funding situation pressures and the main risk areas where there could be under/over performance** — **VP**
- **Members unanimously AGREED, subject to the above amendments, to recommend the draft Budget for 2011-2012 to Corporation for approval** — **Acting Clerk**

63.5 Three Year Financial Forecast – CONFIDENTIAL PAPER

The DF stated that the document reflected the plan from the CSR period. More emphasis had been put on the second and third years than in previous years' documents.

Agreed Action

- **Some context-setting would be added to the document, including potential variability and risks**
- **Members unanimously AGREED, subject to the suggested addition, to recommend the Three-Year Financial Forecast to Corporation for approval** — **VP Acting Clerk**

64 Updated Strategic Plan – COMMERCIALLY SENSITIVE PAPER

64.1 The VP presented his Paper stating that the Plan had been substantially re-written the previous July as the context setting had changed and a lot of the PIs had been met. Therefore, this paper focussed on emerging issues and reporting against the Key Performance Indicators.

64.2 It was pointed out that there was no mention of increasing efficiencies in the Plan.

Agreed Actions

- **The following points would be added:**
  - **Increasing efficiencies by means of adjustments to staffing and careful timetabling**
  - **Generating new sources of income**
  - **The aim of helping everyone to achieve of their best**
  - **A comparison of staff costs versus the number of students being taught** — **VP**
- **Members unanimously AGREED, subject to the suggested additions, to recommend the updated Strategic Plan for 2009-2012 to Corporation for approval** — **Acting Clerk**

65 Annual Approval of Accounting Policies

The approval of the Accounting Policies had previously been delegated to this Committee. The DF explained the proposed changes.

Agreed Action

Members unanimously APPROVED the Accounting Policies

66 Employment Policies Review

66.1 Members noted the legal requirement to withdraw the Procedure for the Retirement of Employees from October 2011, following recent changes in the law.

Agreed Action

Members unanimously AGREED to approve the withdrawal of the Procedure for Retirement of Employees from October 2011 — **Acting Clerk**

66.2 A question was raised regarding compliance with the recent Bribery Act and the VP confirmed that some adjustment to the Finance Regulations would be necessary to strengthen current arrangements.

Agreed Action

A formal acknowledgement of the Bribery Act would be included in the Finance Regulations — **VP**

67 Committee Business

Review of Proposed Schedule of Business for 2011-2012
Members reviewed the Schedule of Business, noting that a simplified, three-cycle meetings schedule for 2011-2012 would be considered at the Corporation meeting in July.
Agreed Action
The following items would be added to the Committee's Schedule of Business: **Acting Clerk**

- **The joint meeting with the Search and Governance Committee in September**
- **Contracts would be included in the Standing Items**

68 Standing Items

68.1 Contracts
The DF reported a reduction in costs for bus services for the next academic year – it should have been by RPI but was negotiated down to 3%. This was reflected in the Budget.

68.2 Capital Funding Update
The two Capital Projects were making good progress. Members noted the following:
Learning Resources Centre

- work had started on the LRC that day with a completion date of the August Bank Holiday
- costs for the were less than expected
- a 'hybrid' contract had been awarded to CLC, a company which was also undertaking work on the Mountbatten Building, resulting in reduced set up costs
- the Mechanical and Electrical (M and E) work was being completed by Wings, the College's current M and E contractor

Mountbatten Building

- the work on the Mountbatten Building was, overall, one week behind – window delivery had been delayed but double gangs of workmen would be deployed to fit the windows in due course

68.3
The Building Support Governor, the Health and Safety Governor and the Chair had all taken a walk around the College prior to the meeting – no issues were raised.

69 Information Exchange

- The DF updated members on the investigations being undertaken into the possibilities of installing Photovoltaic cells to generate power – it was hoped that a partnership with Eastleigh Borough Council for procurement may be possible
- The Principal informed members of a sad situation regarding the death of a student
- In answer to a question the VP confirmed that KMPG produce (historic) national benchmarking information on the financial positions of colleges' in the sector, though this could be distorted by the position of the larger colleges; also, the SFCF produces updates
- Miss Campbell, Chair of the Standards Committee, updated members on the recent Standards Committee meeting

70 *Dates and times of next meetings: (subject to approval of the 2011-2012 calendar of meetings at the July Corporation meeting)*

- ***Tuesday, 27 September 2011 (Joint meeting with the Search and***

Governance Committee to discuss Clerking arrangements) in the Conference Room, time to be confirmed

- ***Wednesday, 9 November 2011 at 5.30 pm in the Conference Room***

The attendees left the meeting at 6.43 pm.

71 Confidential Item

71.1 HoSP Remuneration

Pay settlements for 2011-12 were discussed and agreed. The Chair would notify those concerned and provide a confidential Information Paper for the next Corporation meeting. **Chair**