

BARTON PEVERIL SIXTH FORM COLLEGE
Finance and Employment Committee
Minutes of the meeting held on
Monday, 5 June 2017 at 5.56 pm

Present:

Mr J Prest (Acting Chair until 6.43 pm)
Mrs S Anderson from 6.10 pm
Mr G Ashton
Mr D Blenkarn from 6.43 pm

In attendance:

Mr M Chart (Assistant Principal (Finance and Resources))
Mr G Miles (Director of Finance)
Mrs J Miles (Clerk)

Apologies:

Mrs K Everett (Chair)
Cllr K House

Absent:

None

	Action
368 Preliminaries	
368.1 The Principal welcomed Mr Ashton to his first Finance and Employment Committee meeting. Mr Blenkarn was travelling from London and would not arrive before 6.30 pm. No decisions could be made on the recommendations within the papers until the meeting became quorate. Discussion could take place on the agenda items and those arriving later could be updated on discussions and the decisions could then be taken.	
368.2 The Principal assumed the Chair for the first part of the meeting.	
368.3 NB Minutes in italics indicates that the meeting was quorate at that time.	
369 Declaration of Interests	
No member of the Committee had anything to declare relating to the items on the agenda.	
370 Equality and Diversity Issues arising from the agenda	
The Acting Chair reminded members to consider Equality and Diversity issues when considering items on the meeting's agenda.	

371 Minutes

- 371.1** Draft Minutes of the meeting of Tuesday, 16 May 2017 were tabled for information but these had not yet been approved for publication by the Chair.
- 371.2** *The Minutes of the meeting held on Tuesday, 14 March 2017 were confirmed as a true record and were duly signed by the Acting Chair.*
- 371.3** *All Matters arising from the minutes had been actioned, were ongoing or were on the agenda for the meeting. The updated Action Points sheet would be kept with the Committee papers.*

372 Monthly Finance Monitoring Report – CONFIDENTIAL PAPER

- 372.1** Mr Ashton complimented the Director of Finance (DF) on the format of the Management Accounts. The DF presented his paper explaining the rationale on various aspects to Mr Ashton as this was the first College finance report he had received.
- 372.2** It was noted that Net Working Capital was more positive than in previous years but a lot of building work was shortly going to start which would have an effect on the figure. This also illustrated the general scenario for the future with increased costs and reduced income. Funding Protection was briefly explained and it was pointed out that one aspect of the financial plan was to 'pay down' the debt in instalments over the next three years.
- Agreed Action**
- **Mention of Lloyds TSB would be corrected to Lloyds**

DF

373 Progress on Income Generation – CONFIDENTIAL PAPER

- 373.1** The Assistant Principal (Finance and Resources) (APFR) presented his paper which provided an update on progress on actions taking following the Strategic Planning Awayday ie the groundwork to increase income and pointed out that whilst actions had been taken it would not be until later in the following year that income prediction could be made.
- 373.2** It was noted that the eight areas suggested as growth opportunities were fairly similar and that it was not the intention to stray too far from the College's Mission, as agreed when Governors were considering academisation.
- 373.4** *Mrs Anderson arrived at this point.*
- 373.5** As a result of the Senior Leadership Team (SLT) considering the options it was suggested that taking overseas students was not viable but that offering the premises to local universities for use for summer courses and the development of the gym facilities could be successful.
- 373.6** Members noted the content of the report, agreeing that the College's capacity to increase income was limited nor was it part of the Mission and that they did not want to divert attention from the core business of the College.

374 Strategic Plan update

374.1 The APFR reported little change since the previous update in the Autumn but highlighted the increase in numbers of students going on to study at university and also stated that a lot of these students would be the first person in their families to go to university. The Principal added that the evidence is that there is still a graduate premium with success having a direct correlation to going to university.

374.2 The pleasing shift on agreement scores in the latest Staff Satisfaction Survey was noted.

375 Annual Approval of Accounting Policies

The DF reported that the publication of Accounting Policies (within the Casterbridge model accounts) had been delayed because of the forthcoming General Election.

Agreed Action

Members would be advised by e-mail of any changes upon publication of the Accounting Policies

DF

376 Policies update and Schedule for 2017-2018

Members noted the content of the policies schedule; those highlighted in purple were the ones that would be reviewed in the next academic year.

377 Compliance with the letter from Peter Lauener, Chief Executive of the Education and Skills Funding Agency

377.1 The APFR presented his paper which documented evidence that the College met the requirements regarding robust financial management and governance.

377.2 Members noted the content of both the letter and the paper and concurred with the SLTs' opinion.

378 Committee Business**Committee's Schedule of Business for 2017-2018**

Members noted and approved the Committee's Schedule of Business for the academic year 2017-2018.

379 Standing Items**379.1 Property Strategy update – CONFIDENTIAL PAPER**

The APFR reminded members that the Property Strategy was mainly focussed on three strands of work plus minor works:

- Improvements to the Hampshire Building façade and windows
- the extension to the Science Block
- the enlargement of the Student Social area and the refurbishment of the kitchens

379.2 The APFR was asked if the College had a model for the capital case of invest versus revenue. Members discussed the benefits to recruitment of an improved social space.

Agreed Action

The APFR would have a conversation with Mr Ashton outside of the meeting regarding potential investment modelling either used or recommended

APFR

379.3 Contracts update

The DF reported the following activity in contracts:

- the Insurance contract (currently with Zurich) had been put out to tender through the Wessex Group and the tenders indicated a saving of £20,000 to £30,000 for the College (a consultant had been engaged to review the tenders)
- the Energy contract would be renewed in December via the Energy Consortium (a credit purchasing consortium for education) and should result in a saving
- cleaning of the College would be going out to tender due to problems in finding and retaining cleaners

379.4 Any changes would be included in the Revised Budget in the Autumn term.

DF

379.5 *Mr Blenkarn arrived at this point and assumed the role of Acting Chair. He was briefed on the proceedings so far.*

Agreed Actions

- **A paper on the tenders for the Cleaning contract would be presented at the next meeting**
- **There would be a further report on negotiations on insurance and energy at the next meeting**

APFR

380 Financial Planning – CONFIDENTIAL PAPER**380.1 Draft Budget 2017-2018**

An error at the top of page 12 was pointed out, where £1,155,000 should be £335,000 as the figure should have been updated after 16 May. (Page 1 would also be corrected.) The APFR presented his paper and members discussed in some depth the three scenarios regarding the loan repayment schedule. Factors discussed included:

- *the effect of recruitment on both income and costs*
- *any sensitivities the Funding Body might have when considering the Two-Year Financial Forecast (the Bank would also receive a copy of the Forecast)*
- *the approval of the Revised Budget would not take place until the Autumn term*
- *the terms of the loan and the opportunities to pay some of the loan off early*
- *recruitment in terms of proportions of students choosing Barton Peveril and the local demographics*
- *cautious predictions for recruitment in the past*
- *some discrepancies in the analysis on page 13 and a typographical error in section 12 on page 16*
- *the clarification of page 10; the inclusion of a full total at the bottom of Income and the same on Expenditure, taking out Capital Repayments and putting Capital Repayments and Purchases after the totals*
- *whether there was any further scope for the transfer of responsibility of more bus routes to the bus companies*

380.2 Three-Year Financial Forecast

The APFR explained the format of the Forecast. The Funding Body required a Two-Year Forecast the Principal added it was now considered good practice to produce a Three-Year Forecast, which Barton Peveril had been doing for some years. None of the ratios were causing concern but one problematic scenario would be if the Government increased teachers' salaries to improve teacher recruitment. Pay rates for Support Staff and Teaching Staff had been frozen but if the Government funded

schools to increase teachers' pay but not Sixth Form Colleges the College would have to cover the cost of any pay rises without additional funding being provided. Other levers included:

- *staff per student*
- *size of programme*
- *numbers of students in classes*
- *very precise timetabling*

Agreed Actions

Members unanimously AGREED, subject to the correction of the errors and the clarification requested:

- **to recommend the Draft Budget 2017-2018 to Corporation for approval**
- **to recommend the Three-Year Financial Forecast to Corporation for approval**
- **the final decision on an early repayment of the loan in November 2017 would be made in the Autumn term (which may result in the date of the Autumn Finance and Employment Committee meeting being changed)**

DF

Clerk

381 Policy Reviews

381.1 Fees Policy

As requested at the previous meeting Printing and Reprographics costs had been reviewed and a 50% increase was proposed. Other proposed changes included:

- *a Resources Fee of up to £20 per course to be introduced in September 2017*
- *an hourly rate for the Pauline Quirk Academy*

Agreed Action

Members unanimously AGREED to approve the revised Fees Policy

381.2 Local Government Pension Scheme (LGPS) Regulations and Policy Statement on Discretionary Payments

The APFR explained the need to review LGPS Regulations and Policy Statement of Discretionary Payments, as required by the LGPS regulations. Only minor presentational amendments had been made to the Statement and updates to College personnel

Agreed Action

Members unanimously AGREED that no major changes to the LGPS Regulations and Policy Statement on Discretionary Payments were required

382 Information Exchange

There was none.

383 Clerking – CONFIDENTIAL PAPER

The Principal tabled a paper which explained the Chair's Action taken to amend the Clerk's contract from 2.5 days to 3 days per week until 31 August 2018 following the recent Consultation period and the subsequent redundancy of her Personal Assistant role.

384 Date and time of next meeting: Tuesday, 7 November 2017 at 5.30 pm in the Conference Room

The meeting closed at 7.41 pm.