

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON THURSDAY 18 NOVEMBER 2010 AT 18:00 IN THE SPORTS CENTRE CAFÉ

Present: Peter Freeman; Ellie Gillies (observer); Howard Kidd; Rod Mallinder; Jim Smithyes; Chris Thomson: Anne Fielding Smith; Jutta Knapp;

F&GP10/25 Apologies and Welcomes

Apologies were received from Kate Blenkinsop and Louise Pennington. Nick Hewlett was absent.

F&GP10/26 Minutes of the Meeting held on 16 June 2010

The Minutes were approved.

F&GP10/27 Matters Arising

JHK reported that the YPLA had confirmed the College's financial health assessment as good. JHK also confirmed that the College was taking advantage of joint procurement opportunities where appropriate. Portable Appliance Testing might be one area on which the Sixth Form Colleges could co-operate. Savings have already been achieved with Edexcel by co-operation within FE Sussex on joint procurement. JHK explained that the College had already made savings of the order of £18k per year on utilities. It was suggested that the College could investigate whether economies could be made by agreeing daily rates for minor works in conjunction with Varndean. **ACTION: JHK**

It was also suggested that the College investigate teaming up with the Council for its energy supply which might also generate a saving. **ACTION: JHK**

F&GP10/28 Declaration of interests

The Committee was invited to declare any interests and no one had any interests to declare.

F&GP10/29 Annual Report and Financial Statements to 31 July

In reply to a question regarding the front cover sheet for this item, it was confirmed that there were two significant Audit issues as made clear in the Management letter. The receipt of £1.3 million at the end of 2009-10 together with resulting premises expenditure made at the beginning of 2010-11 made this year's accounts difficult to interpret and would also impact on next year's accounts. Underlying this the College's continuing operations through 2009-10 have returned a surplus of £108k against a budgeted £35k. This was an increase of £7k compared to the predicted outturn at the Committee's previous meeting. The Committee looked carefully at the variances of actuals to budget on page 77 of the paper. The Committee requested a graphic portrayal of the underlying financial performance of the College's continuing operations through the present period. **ACTION: JHK**

The Committee noted the improved balance sheet. JHK explained that the net current liabilities of £238k appeared to place the College in an exposed position but that the sum of £675k would return to the College when the finance lease was agreed for the Student Services Centre (NB please see Minute of F&GP10/33). It was noted that a surplus of £108k was insufficient even to proof the College against inflation and that the College should generate a surplus commensurate with its needs. The College should also know what its annual bill for maintenance was. This would be included in the development of the Accommodation Strategy and could be reported on at the Committee's next meeting.
ACTION: JHK

There was some discussion of the decision by the Office for National Statistics to regard sixth form colleges as part of the Local Authority sector. It was unclear whether this would constrain the College's ability to borrow. A suitable wording would be found for the report and financial statements to reflect this doubt. **ACTION: JHK**

It would also be requested of the Audit Committee that this state of affairs be reflected in the College Risk Management Survey. **ACTION: CT**

The Report and Financial Statements were approved subject to inclusion of the note above regarding the Office for National Statistics and the following amendments:

It was agreed to amend the Members Report as follows:

- Include ASCL Act 2009 and designation as sixth form college under Legal Status
- Remove reference to DCSF on page 6
- Remove reference to LSC on Regularity Audit Report
- Include reference to B&HCC re commissioning role, probably as an uncertainty
- Update membership requirements of Remuneration Committee
- Check accuracy of note on SPH Pay Bands

ACTION JHK

F&GP10/30 Reconciliation of 2009/10 outturn to budget

This paper was noted.

F&GP10/31 Results for the first three months

The negative variance shown at the surplus/deficit on Continuing Operations line (£142k v - £557k) was due to the premises work carried out this summer (2010). There was no indication that the College would not however come in on budget. The Committee noted that a national pay award had not yet been agreed. SMT would seek advice from the HR Committee and/or F & GP Committee if need be. Attention was drawn to the ratio of staff pay to income on page 82. The Principal explained that in all likelihood this ratio would have risen for all sixth form colleges because staff costs will inevitably have risen whilst the unit of funding remains unchanged this year in respect to last. i.e. there has been no up-rate for inflation.

F&GP10/32 Updating our Accommodation Strategy

The recommendations of the paper were approved subject to the following points:

It was agreed that the paper would be amended for the Corporation so as to:

- Clarify what the College could do and was already doing under DO1
- Clarify how merger might constitute a hybrid development option between DO4 and DO5
- Underline the importance of the education case that would support any Capital Development including the risks identified by Ofsted.
- Make clear the need to consider operational and long-term maintenance costs in addition to capital costs. **ACTION: CT**
- The Committee also noted that merger might very well impact upon quality and that the maintenance of high quality could itself be very important in attracting funding.
- An interim report on progress with the recommendations in the paper would be received at the Committee's next meeting. **ACTION: JHK**
- JHK would follow up a suggestion to benefit from an on-line Model of Estates Costs. **ACTION: JHK**

F&GP10/33 Student Services Centre

The Committee needed to be assured that the proposed financing strategy (finance/lease) was the optimal one. JHK would produce a paper demonstrating which method provided best value. **ACTION: JHK**

It was acknowledged that this might not be possible for the Corporation Meeting in December, in which case the Premises Committee could consider it. The paper was approved subject to consideration of the requested further paper. The Committee noted that YPLA's approval for the scheme was still awaited.

F&GP10/34 Financial Memorandum

Since the College had no alternative but to accept the terms of the Financial Memorandum, the paper was noted rather than approved. The Committee was however willing to give its approval if the Clerk advised this was needed. **ACTION: LEP**

F&GP10/35 Health & Safety Update

The Committee noted the increasing pro-activity of staff in managing fire practices with approval. It also noted, notwithstanding, reference earlier in the meeting to the cramped conditions of College House, that fire evacuations had proceeded well there.

F&GP10/36 Health & Safety Policy

The Committee was assured that there had been consultation with JUMCoG and RT was thanked for his work in formatting the Policy, to which there were no substantive changes. The Policy was approved. **ACTION: LEP**

F&GP10/37 Acceptable Use of Computers Policy – Students

The Committee noted that there were no changes to the Policy but only to the Procedures. It was noted that the paper would need communicating to students. **ACTION: JHK**
The capacity to use student email addresses now was welcomed.

F&GP10/38 Treasury Management Policy

JHK was recommended to consult with Mike Bewlock regarding Treasury Management.
ACTION: JHK

The Committee was assured that the Lloyds Money Market was in effect a Lloyds Deposit Account and therefore College funds were not at any risk.

It was noted that this Policy would need reformatting in the College's house style and that the final point should end after the phrase "main clearing banks". **ACTION: JHK**

F&GP10/39 Update on Environment Issues

The Committee welcomed the progress on a wide front recorded in the paper and noted the College had joined the 10/10 Initiative. The Committee would welcome a more data-based report that would indicate progress either benchmarked against other institutions or, more likely, a longitudinal study of the College's progress. In the latter case it would be necessary to make 'degree-day' allowances for temperature. **ACTION: JHK**

The Committee was of the opinion that publicising the good news in the paper to staff could only encourage staff to become yet more pro-active in regard to green issues. **ACTION: JHK**

F&GP10/40 Any Other Business

The new facilities for coffee vending in the Canteen were noted, as was the review of use of the Student Common Room.

JHK would contact the University of Brighton and one of the larger waste contractors to see whether more could be done by the College in the way of recycling. **ACTION: JHK**

It was agreed that in future any charts requiring the use of colour for their interpretation would be produced for the Committee in colour. **ACTION: JHK**

F&GP10/41 Date of next meeting

7 March 2011

Chair

Date