

BARNSELEY COLLEGE BOARD OF GOVERNORS

MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 2 FEBRUARY 2016

PART I

PRESENT	S Brian	Governor
	G Beever	Governor
	R Dewar	Governor (Chair)
	C Webb	Governor (Principal)

IN ATTENDANCE	A J Oaks (Clerk)
	T Johnson (VP Corporate Services)
	L Lawton (VP Finance)
	J Miccoli (VP Teaching, Learning and Student Support)
	N Jones (AP Employer Engagement)
	V Dalton (VP Funding, Data & Compliance)
	D Harding (VP Curriculum)
	P Skelland (Director of Estates)
P Briscoe (VP Quality)	

APOLOGIES

16.01 Apologies were received from G McSkimming and P Jagger.

DECLARATIONS OF INTEREST

16.02 The Chair reminded members of the requirement to declare any financial or personal interests in any agenda items. Members reserved the right to declare any interests should any arise during the course of the meeting.

MINUTES

16.03 The minutes of the meeting held on 1 December 2015 (Part I) were agreed as a true and accurate record and were signed by the Chair.

MATTERS ARISING

16.04 The Committee received a list of actions arising from previous meetings. With regard to 15.76 (LEP priorities), it was agreed that this had been covered sufficiently at the recent strategic seminar.

CASH/LOAN MANAGEMENT

16.05 Minutes 16.05 to 16.08 were deemed confidential due to commercial sensitivity and have been moved to the confidential non public section of the Minutes (Part II).

HIGH NEEDS ELEMENTS

16.09 The Committee received a report on HNE from the VP Quality summarising income against budget. The VP commented that in terms of Element 3 the college was negotiating top up rates which were higher than planned therefore the forecast was over budget. In response to a question from a member, the VP reported that the position with Wakefield LA was now much improved and that a good working relationship existed which had mitigated further risk. The Committee acknowledged the progress made in this area and congratulated the team.

The report was received.

INTERNATIONAL

- 16.10 The Committee received a report from the AP Employer Engagement summarising the position with regard to international income. The current forecast suggested the target of £300k would be met. As requested by members at the last meeting, details of expenditure had also been included. It was reported that a decision had been made by management at performance review P3 to close the Transnational Education Department as it had failed to deliver any income over the three year period. This would bring about savings in both pay and non pay. Further to questions from the Chair regarding numbers and staff involved, the Chair was content that the right decision had been made. The AP assured members that the college continued to work hard at maintaining its relationships with partners, employers and Universities in terms of recruitment.
- 16.11 A number of opportunities currently being explored were summarised including partnership work in Saudi Arabia, capacity building and summer schools. The Principal commented that in anticipation of the results of A Levels at Jinling High School this summer, other schools within the region were awaiting the outcome with interest. Further to a question from the Chair about developments with the Shaoibi Group, the AP advised the Committee that the college had expressed its interest but not taken this any further. The Chair thanked the AP for the report and confirmed the Committee's support of management actions.

EXPENDITURE

- 16.12 The VP Corporate Services presented a paper on expenditure, summarising key points. In line with previous years, an underspend on core staffing and overspend of flexible staffing was reported due to unfilled vacancies and time lags in recruitment to vacancy posts. Actual expenditure indicated that the budget would be met. Further to questions from the Chair the VP provided further details of actions to bring about increased efficiencies.

The report was noted and received.

SORP FINANCIAL STATEMENTS AND THREE YEAR PLAN

- 16.13 The VP Finance had provided the Committee with a report showing the 2014/15 Financial Statements and three year plan compliant with the 2014 SORP. Key changes for 2014/15 were highlighted as being a £0.5m increase in income and a £9m reduction in net assets. An increase in income in 2015/16 by £7.7m reflected capital grants received for the Construction Centre and Sixth Form College. Income in 2016/17 and 17/18 was reduced by £1.3m as a result of the change to the performance model for capital grants.

The printing contract had been restated as a finance lease. EBITDA improved by c0.4% as a result. In respect of net assets 2015/16 to 2017/18 there were no material changes to the original 3 Year plan. All financial targets and covenants would be met under the revised SORP.

- 16.14 The Committee were informed that the external auditors would be required to audit the revised 2014/15 financial statements under the new SORP as part of the 2015/16 financial statements audit. 2015/16 management accounts would be reported under the current SORP with any adjustments to align with new SORP made at the year end. The impact on the SFA financial health score was uncertain at this stage, but there was an indication that changes would see the gearing ratio being replaced by a debt to income ratio. The VP added that governors should be aware that income under the new SORP would be volatile, as would surplus, but to a lesser extent.

The Chair thanked the VP for a comprehensive report, and invited questions on remaining papers which had been provided for information.

PROJECTS AND SKILLS FOR JOBS

- 16.15 The Committee noted the outturn for Skills for Jobs ESF was better than budget and congratulated the team on the continued good work in this area.

HUMAN RESOURCES UPDATE

- 16.16 The VP Corporate Services provided a verbal update on industrial action and pay, reporting that UNISON had balloted on 29 January for strike action over the AoC recommended pay freeze. The outcome of the ballot revealed that 65% of members nationally were in favour of a strike. A meeting was therefore taking place on 3 February to enable a decision to be made. The VP advised governors that it was possible UCU may also strike with UNISON. Governors would be kept informed.

The Chair thanked the VP for the update.

ANNUAL CAPITAL EXPENDITURE

- 16.17 The Chair made reference to the discussion that had taken place at the strategic seminar following student feedback on IT issues. The report indicated a substantial outlay on IT equipment and the VP Finance explained the process for applying for annual capital expenditure by HoDs. Responsibility for the whole college infrastructure including equipment being fit for purpose lay with the Head of IT and there was often a reluctance by some HoDs to prioritise IT spend as suggested by the Head of IT. The Principal commented that IT spend across college would be discussed as part of the forthcoming business planning round, including the status of the current infrastructure and whether this required further investment.
- 16.18 S Brian referred to the results of the staff survey analysed in the previous HR report, asking if any parallels had been identified between staff and student feedback in respect of technical IT support. The VP CS stated that both staff and students reported issues, and that with continuing constraints to funding it was possible the college would consider asking students to bring their own laptops/iPads/notebooks into college in favour of investing more heavily in ensuring the infrastructure provided the appropriate safeguards and was fit for purpose.

The Chair adjourned the meeting briefly prior to the start of Part II.

N Jones, J Miccoli, V Dalton and P Briscoe left the meeting.

End of Part I

Signed _____

Date _____