

**The Sixth Form College Farnborough
Finance and Strategy Committee Meeting, 21 November 2011
Minutes**

The meeting opened at 5.09pm

Members Present: Andrew Needham (Chair), James Bacon, William Bagnall, Peter Eyre, Simon Jarvis, Russell Kelaart, Linda Montgomery, Gregory Trigg

In Attendance: Gordon Dodds, Alison Venner (Clerk)

Note: The name of the Committee has changed from Policy and Resources to Finance and Strategy. Codes will remain the same for now e.g. P 11/40

1. P 11/40 Apologies

Apologies were received from Terri Willcocks.

2. P 11/41 Declaration of Interests

None

3. P 11/42 Minutes of 26 September 2011

The minutes were agreed and signed by the Andrew Needham, the new Committee Chair.

4. P 11/43 Matters Arising

(a) The Committee noted that the following recommendations were approved at the Corporation meeting on 10 October 2011:

- (i) Financial Forecasts 2011 – 2014
- (ii) Adoption of the Child Protection Policy

(b) Review of tenders for building works

William Bagnall and Linda Montgomery had reviewed the tenders submitted for the Phase 7/BCIF buildings works, and were happy that the chosen company was offering value for money.

(c) Update on Bridleway and Gated Crossing

Letter issued with agenda

This is an ongoing issue. Simon regularly writes to the County Council asking for updates on the situation, which is a safety concern for the College and students. A sum of money has now been allocated by the Council to make the crossing safer, although a date for work to be carried out is not yet known. The committee will be kept updated at meetings.

Action: Agenda

In response to a Governor question, it was confirmed that the College has made students using Farnborough North railway station aware of the safety issues. Safety has been a priority in College News this term. It was **agreed** that as the evenings are now darker, it would be a good idea to highlight issues again.

Action: SJ

5. P 11/44 Chair's Business

Terms of Reference issued with agenda

The terms of reference were **agreed**, with the addition of the committee being responsible for two areas of the Strategic Action Plan: SA4 – “A Strong financial footing in turbulent funding environment” and SA5 – “Partnership with the outside world”.

Action: AV/Agenda

It was noted that Greg Trigg will be moving to the Estates Committee. He was thanked for his contribution to the Committee over the past three years.

6. P 11/45 Draft Statutory Accounts, 2010/11

Issued with agenda

Gordon presented the Annual Report and Accounts August 2010 to 31 July 2011 to the Governors. He highlighted the following areas of the report:

5.4 The operational surplus for the year was £1.109k compared to a projected figure of £709k. This change had been seen through the monthly management reports issued to committee members. The factors contributing to the £400k increase are detailed in the report, and include:

- £79k received in building grants
- savings on salaries, after £69k of severance payments
- work required to the premises was put out to tender and work cut back where possible
- overdraft cleared

A Governor asked if the reduction in marketing costs meant that less advertising had been carried out for 2011 student recruitment and therefore reduced applications.

Simon advised that student application numbers were higher than previously, however take up was less. The reduction in marketing costs is offset by the increased use of e-mail to communicate with students and parents. There have been many “good news” stories in the local press which has been promotion at no cost to the College.

It was confirmed that the reduction in IT upgrade costs was due to systems being replaced only when needed rather than when new systems become available.

Costs will continue to be monitored in order to keep expenditure to a minimum.

The Committee passed their thanks to all staff involved in the prudent financial management of the College, which has achieved savings of £400k.

7.4 The targets for 2011/12 cover the same areas as 2010/11. The new targets are achievable.

17.8 The breakdown of staff costs on page 33 of the report was explained in relation to the figures in 17.8, following a question from a Governor.

It as **agreed** that paragraphs should be added to show the constitution of the corporation, the awareness of the Governors in Child Protection and the review of the Corporation undertaken by the working party.

Page 34, Item 7 – Simon will amend the number of senior post holders to 5.

Action: Simon Jarvis

DECISION

The Committee agreed to recommend the final accounts and the annual report to the Corporation at its 5 December meeting, following the above amendments.

7. P 11/46 Finance Issues

(a) Strategic Cashflow 2011 to 2015

Issued with agenda

Attention was drawn to the following:

- the 2015 target number of students has been revised from 3,500 to 3,400 and forecast figures amended accordingly.
- income is based on the current funding mechanism; however this is due to change from 2013/14. Transitional protection funding is expected, although details are not known yet.
- savings will continue to be monitored and implemented.

A discussion took place on the cashflow. Questions raised by Governors were addressed as follows:

The target number of students has been reduced as it is felt that 3,500 is an unachievable number based on the current climate; by being cautious, it reduces financial risks in budget planning. The College has the capacity and wishes to offer places to more students; if more students take up places than planned for, there will be a positive effect on the College budget.

The changing need of students, the effect on the courses the College offers, the appropriateness of the College's "college with university feel" tagline today and the need to promote the partnership with the outside world were discussed.

(b) Finance and Management Reports

Issued with agenda

The October report was considered by the Committee. Members receive monthly reports by e-mail when prepared. The budget is currently on target. Phase 7 building works have cost more than originally planned for, as it was appropriate to carry out additional work whilst the builders were on site, such as additional dry lining.

An overdraft facility might be needed in March/April.

DECISION

The Committee approved the October report.

(c) To note the YPLA Financial Health Assessment 2011 – 2014

Issued with the agenda

The YPLA graded the College as "Outstanding".

Gordon and his team were congratulated on the achievement.

(d) To receive the updated costings for the BCIF Phase 7 buildings works

Issued with agenda

The costs up to 31 October 2011 were reviewed. The next work to be undertaken will be the loft conversion. This will provide the additional space to accommodate the increased student numbers.

£1.7m has been included in the budget to cover additional costs; enough has been spent to retain the whole of the grant.

(e) To receive the annual course costings report 2011/12

Issued with agenda

A detailed discussion took place on the report. Attention was drawn to the surplus/deficit column on the summary costings 2011/12, and thorough explanations were given regarding the subject areas with a high deficit along with an explanation on the allocation of funding and staff costs. Although expensive to run, subjects such as Music, Performing Arts and PE are enrichment areas for students. A review is currently taking place on the delivery of music; it is hoped to reduce the deficit by a third over the next two years.

In response to Governor questions, it was confirmed that the deficit figures are reviewed and Principalship continues to monitor the areas of the curriculum that, financially, are expensive to deliver. Staff placements and skills are being reviewed to maximize expertise.

8. P 11/47 Staffing

(a) To receive the Human Resources data

Issued with agenda

The data was reviewed. Updated Equalities data will be issued with the minutes.

Action AV

(b) To review the role of Acting Deputy Principal (Curriculum and Innovation), and to make a recommendation to the Corporation at the meeting on 5 December

Issued with agenda. College Management Structure tabled.

After a short introduction by the Principal it was agreed to consider this matter in two parts:

1. Which of the four Deputy Principal (DP) posts, including DP Curriculum & Innovation, should be designated as senior posts?

(Under the Instrument and Articles of Government senior posts are a Governor appointment and, as such, advertised externally and nationally prior to any permanent appointment)

2. Depending on the outcome of (1) should the person currently in the DP Curriculum & Innovation post on an acting basis, be confirmed in post permanently?

When the person was appointed into the acting post (18 months ago) it was agreed that this decision would be reconsidered about now.

The following points were identified as being relevant to these decisions. Each was discussed in detail.

- The nature of the DP Curriculum and Innovation post to the college's core activity – how critical is it?
- The value that Governors may be able to add to any DP selection process
- The process by which the acting post holder was appointed 18 months ago
- The importance of ensuring that staff and other stakeholders are clear that any appointment is always made in the best interests of the college
- The gender balance of the current Principalship (only one of the five postholders is female)
- The potential impact on the college if it is decided to go through an external recruitment process: and
- The performance of the acting post holder as evidenced in his most recent appraisal conducted by the Principal

DECISIONS

After extensive discussion it was **agreed** to recommend to the Corporation, at its meeting on 5 December, that:

- 1. For all future DP appointments only the following three DP positions will be considered “senior posts”**
 - a. Finance & Administration
 - b. Student Services
 - c. Curriculum & Innovation

DP (Data & Communications), whilst recognized as being important to the college, will no longer be a senior post (i.e. governor appointment) although the selection process used should include some degree of *governor involvement*.

It was **agreed** that, as the current DP (Data & Communications) is due to retire in 2012, at which point the role may be reviewed anyway, this change will only be made with effect from that point.

- 2. The acting DP Curriculum & Innovation (Vince Scannella) should now be confirmed in post on a permanent basis.**

However this post will only remain a non-senior post until Vince leaves at which point it will be considered a “senior post” and a full, external recruitment exercise undertaken.

Committee members, with one exception, were in full agreement with this decision on the grounds that:

- a. A very thorough selection process was undertaken when Vince Scannella was appointed 18 months ago. The post was advertised internally and there was direct governor and external involvement.
- b. Vince's performance over the period as acting DP has been appraised by the principal as being consistently very strong

- c. The curriculum world is changing and it might be difficult to be clear as to what skills and capabilities we should be looking for if we decide to advertise the post today
- d. Committing governors to now undertake a full, external recruitment exercise, is not a priority at a time when there are other more pressing issues for us to focus on.

It was discussed as to whether this decision is in the best interests of the college as it defers any opportunity for us to validate that we have appointed the best possible person by not seeking potential external candidates.

In view of the above four reasons it was generally agreed that this was not the case.

Linda Montgomery left at 7.30pm due to other meeting commitments.

9. P 11/48 Strategic Action Plan 2010 – 13

Issued with agenda

The strategic plan has been split between three committees. This Committee will be responsible for:

SA4 - A strong financial footing in turbulent funding environment

SA5 - Partnership with the outside world

There will be more focus on SA5 over the next two years, hopefully more links with local companies will be established, and opportunities to bid for various grants will increase.

It was agreed that Strategic Action Plan should be a standing item on all agendas.

10. P 11/49 Any other business

Simon advised that the College will remain open on the day of Industrial Action on 30 November 2011 for students and staff not on strike. It is not known how many staff will be teaching; therefore lessons will be suspended for the day. Parents have been advised, and a planned parents' evening for that day has been cancelled.

Meeting closed at 7.45pm

Date of next meetings:

5 March 2012

18 June 2012

Minutes agreed and signed by Chair:

Andrew Needham _____

5 March 2012

Decisions

P11/44 Chair's Business

The revised Terms of Reference were agreed
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P11/45 Draft Statutory Accounts, 2010/11

The final accounts and the annual report to be recommended to the Corporation at its 5 December meeting, following the required amendments.

P11/46b Finance and Management Reports

The October 2011 report was approved

P11/47b To review the role of Acting Deputy Principal (Curriculum and Innovation), and to make a recommendation to the Corporation at the meeting on 5 December
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Although there were strong arguments against the role becoming a non SPH position at present, the majority of Governors agreed that the role of Deputy Principal (Curriculum and Innovation) should not be a Senior Post Holder at present and that based on the recommendation of the Principal Vince Scannella should continue in the role.

When the position becomes vacant, it should become a Senior Post and the Instrument and Articles process for recruitment should be followed as this would be beneficial, in the long term, for the College.

Actions

P11/43c Bridleway and Gated Crossing

To remind students of the dangers of the crossing

Simon Jarvis

P11/45 Draft Statutory Accounts, 2010/11

Paragraphs to be added to show the constitution of the corporation, the awareness of the Governors in Child Protection and the review of the corporation undertaken by the working party.

Simon Jarvis

Number of SPH on page 34 to be corrected
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P 11/47 Staffing To receive the Human Resources data

Updated Equalities data to be issued members
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Alison Venner
