



**Mission Statement:** *Inspiring learning, developing character, building futures*

## MINUTES OF THE MEETING OF THE ADMINISTRATION & FINANCE COMMITTEE

**Date:** Tuesday 8<sup>th</sup> March 2022  
**Time:** Virtual Meeting via Google Meet  
 4.00-5.15pm

<b>Present:</b>	<hr/> Mr David Gascoigne (Chair) Mr Ray Baker (Vice-Chair) Ms Jill Gray (Principal) Mr Alistair Burr Cllr Callum Baxter
<b>Together with:</b>	<hr/> Ms Lindsay Gates (Head of Finance) Ms Amanda Crumblehulme (Assistant Principal: Business Support) Mrs Sue Hawitt (FCAT Governance Administrator)-minute taker
<b>Apologies:</b>	Ms Tharany Vijayarathnam

		<b>Action</b>
<b>01.2022</b>	<b>Preliminaries</b> The Chair welcomed everyone to the meeting, especially Ray Baker to his first meeting of the A&F Committee. The committee welcomed David and Ray as the new Chair and Vice-Chair of the committee.  Apologies were noted.	
<b>02.2022</b>	<b>Declarations of Interest</b> There were no declarations of interest	
<b>03.2022</b>	<b>Consideration of any items of urgent business.</b> There were no items of urgent business to discuss	
<b>04.2022</b>	<b>Confirmation of Quoracy</b> It was noted the meeting was quorate	
<b>05.2022</b>	<b>Minutes of the joint meeting with the Audit committee held on 16<sup>th</sup> November 2021</b> The joint minutes of the Audit and Administration and Finance committees were approved	
<b>06.2022</b>	<b>Matters arising from the minutes not covered elsewhere on the agenda</b> <ul style="list-style-type: none"> <li><b>a) College Finances-</b> (item 15.2021 from the previous minutes) Confirmation a meeting had taken place between the Head of Finance and the new Chair and Vice-Chair of the A&amp;F Committee to discuss college finances</li> <li><b>b) Health and Safety-</b>(item 18.2021 from the previous minutes) confirmation the Head of Estates will attend the next A&amp;F Committee meeting</li> <li><b>c) Key Performance Indicators-</b>(item 19.2021 from the previous minutes) confirmation KPIs had been updated</li> </ul>	<b>agenda</b>

Callum Baxter joined the meeting

07.2022

**Management Accounts for the period ending 31<sup>st</sup> January 2022**

Directors considered the management accounts ending 31<sup>st</sup> January 2022 (paper 7.1) presented by the Head of Finance and were invited to ask questions

**Questions from Directors**

The Chair informed directors that he had met with the Head of Finance (HoF) regarding questions raised about the reforecast paper which included the overall increase of £412K from funding body grants, it was noted that the funds are all due to be spent on specific expenditure and does not change the dynamic of the overall income.

In response to a question from the HoF directors agreed the budget from the reforecast of tuition funding which will fund external roles be moved to staffing costs, this will allow for the staffing costs to be comparable to what is expected.

Directors were informed that previous years' tuition funds could be carried forward however this year it needs to be spent or it will be lost.

The principal informed directors that there had been more variance in the mid-year forecast than in previous years due to the pandemic, savings were made based on examination and transport due to a change in timetable mid-way through the year. It is hoped that going forward there will be more stability as we move to 'living with Covid-19'

Directors were informed that heating and lighting costs are fixed until February 2023, therefore any price increase will not affect the whole of next year's budget, the HoF stated that work had started to try to secure the best deals for the future.

In response to a question about installing solar panels it was noted that the college already have some solar panels which generates a small amount of income, however work carried out in the past suggested that the building could not accommodate more panels, that said the new Head of Estates is keen to develop a road map to net zero and is something that can be looked at again. It was suggested that the Head of Estates is invited to the next meeting to give an update on the roadmap.

Asked about depreciation and how this worked in the college accounts, it was explained that capital assets are held on the balance sheet and the cost of these are released over the life of the asset against income. The release is at different rates depending upon the life of the asset – there are different categories (e.g. computers are written off over three years). There is a separate capital budget each year.

In response to a question about the most concerns, it was noted that increase pricing to heating and lighting is a cause for concern and staff costs of 70% target for the sector is always a challenge. Funding rates had increased which takes the pressure off slightly.

Some other areas of concern are ageing buildings and the cost of repairs and maintenance.

An emerging concern for the college is exams due to more and more students requesting smaller examination rooms. This has a huge impact on cost due to the need for separate invigilators, and also puts increasing pressure on accommodation. It was noted that the government are talking about digitising some exams in the future, however this would have a huge impact as college has moved to a 'bring your own device' scheme, and exam boards would not allow the use of personal devices for exams. College would therefore be under pressure to provide sufficient computers for examinations.

agenda

It was noted that the funding rate increase had taken years of lobbying and it is unlikely there will be any further increase for a number of years, however other college costs are increasing, and these additional costs would have to come out of current funding rates.

Directors asked how good college are at keeping under review these areas for concern when reviewing budgets, the principal reassured directors that the areas of concern are under constant review by SLT and also noted that every vacant post is scrutinised to consider whether or not it is still required or can be suitably adapted.

In response to a question about reputation, birth rates and demographics and local growth and how the college can meet the requirements of the locality, it was noted that evidence suggests that the impending growth will plateau again after a couple of years. It was noted that considerations of growth had been discussed in the past and directors had agreed modest growth is what the college should focus on.

It was noted that with approximately 100+ students expected from Armfield Academy and 50% of the market share of the Fylde Coast a small addition to the estate will accommodate the growth.

Directors were also informed that unless college had category D buildings (which currently they don't) then there is no funding currently available from government. Any growth in student numbers not only means extending classroom space but also social spaces which are already under pressure. There is already an accommodation review being undertaken to accommodate the growth including, examinations, and pressures on lunch and break times.

Directors were also informed that the number of students at the college are predicted from application and planning is based around predicted numbers, however this can change further down the line which can result in a little uncertainty. The college free bus is an incentive that can encourage the Lytham market and the Ofsted rating of Outstanding will also help to promote the college.

### **Mid-Year Reforecast**

Directors received the mid-year reforecast 2021-22 (paper 7.2) presented by the Head of Finance. The following discussions took place.

Directors were informed that consideration of how to spend the funds gifted to the college is taking place, there is more funds to be allocated but the college are unaware of the exact figure, the funds have also been ring fenced to engineering and performing arts, however the college are trying to be creative in its use and hopefully come up with a multipurpose environment which will benefit more students.

In response to a question about how the estate at college compares to other colleges in the area, it was noted that it depends on the needs/wants of the students, student choice is not necessarily about the building but about friendship groups, and location. Once students visit Blackpool Sixth, they are wowed by the accommodation, this has proved difficult during the pandemic with lack of visiting options.

Directors agreed that the atmosphere at the college is warm and inviting and visiting face to face is a priority.

The principal informed directors that the college were in a position to reduce teaching sessions for all staff (with the exception of 6Advance) down to 20 sessions from 22 (pro-rata), this will have a huge impact on health and wellbeing of staff and promote the reputation of the college.

The Assistant Principal: Business Support informed directors that a key financial consideration which should remain is the commitment for pay awards keeping competitive with school pay awards which had been quite significant.

Directors were informed that forecasting accurate costs is always difficult when relying on ESFA various funding strands, planning the delivery of the tuition fund without exact budget figures is difficult, college have asked the ESFA for confirmation sooner than November to enable better planning, however no confirmation has been received to date. Directors were informed that the college always forecast on worst case scenario and it will be provided with an explanation of expected income.

The principal informed directors that the catering contract with Hutchison commenced in August 2019 on a 3 plus 2 years term, the pandemic started during their first year in business with the college, therefore no year had been under normal circumstances for them to be able to test the tender specifications. There is an option to withdraw the contract in August 2022 or extend for a further 2 years, it was noted that there is a good relationship between the college and Hutchison and SLT felt it only fair to extend the contract for a further two years to give them a fair strong partnership element to the tender. It has been agreed that an independent audit of the 17 contract objectives takes place so that both parties know the areas of focus for the remainder of the contract.

The principal also informed directors that the recent tendering for an external auditor process agreed by the audit committee had been unsuccessful with no tender submissions, leaving the college without an external auditor at present. The HoF had discussed with the previous auditor of many years (who only declined to tender due to staffing restraints) to reconsider suggesting a flexible timeframe for the work. Further updates will be provided in due course.

#### **08.2022 Health and Safety**

Directors received and considered the H&S report No 2 of 4 (paper 8.1) presented by the Assistant Principal: Business Support. She highlighted that there is real investment by the new Head of Estates in reviewing the current arrangements. It was noted there were no concerns and no unplanned evacuations, however plans are in place to re start these.

##### **Questions from Directors**

In response to a question about the Covid-19 situation at college, it was noted that the college are no longer reporting on numbers of infection, however it appears infection rates had reduced.

Asked about the recording of no near misses and what is the college doing to improve this, it was noted that raising awareness of recording all near misses is a priority.

Ray Baker left the meeting

#### **09.2022 Staffing Update**

Directors received and considered the latest staffing report (paper 9.1) presented by the Assistant Principal: Business Support. Directors were invited to ask questions

##### **Questions from Directors**

In response to a question about the ratio of support staff to teaching staff it was noted that support roles had increased to support students with SEND, mental health and students on work placements.

Directors acknowledged the long service of some of the staff at the college and were informed that staff are awarded the long service award

#### **10.2022 Identification of any new or amended risks**

No external auditor in place for 2022/23 at present

#### **11.2022 Directors were reminded to record their attendance on their DPR for this meeting**

#### **12.2022 AOB**

The principal informed the committee of a strategic conversation taking place with the ESFA and asked them to forward any finance questions they may have before the 28<sup>th</sup> April.

**Date and Time of next meeting**

Tuesday 21<sup>st</sup> June 2022 at 4pm

Via Google Meet

Signed \_\_\_\_\_

Date\_\_\_\_\_