

# QUEEN ELIZABETH SIXTH FORM COLLEGE

## Minutes of the meeting of the Finance and Resources Committee held on Monday 19<sup>th</sup> June 2017

Present: Mr C Wiper, Chair  
Mr T Fisher, Principal  
Prof L Oglesby OBE  
Mr D Warman

Apologies: Mr A Wilson

In attendance: Mr S Hargrove, Assistant Principal, Finance  
Dr S Hunnisett  
Mr S Dowson, Clerk

14/17 Agenda item 1. Declarations of interest  
There were no declarations of interest

15/17 Agenda item 3. Minutes of the previous meeting  
The minutes of the meeting on 6<sup>th</sup> March were **accepted** as a true record and signed by the Chair.

16/17 Agenda item 4. Matters arising  
Ref: 11/17 Utilities  
Mr Hargrove drew the committee's attention to the gas consumption and price information which had been circulated with the papers for the meeting. The committee discussed the advantages and disadvantages of longer and shorter gas contracts and concluded that a three year fixed price contract was probably the most appropriate.

17/17 Agenda item 5. Finance Report April 2017  
Mr Hargrove explained that there had been some variances. Both income and expenditure were higher than budget but the net effect was a predicted surplus of £180,000 as per the original budget.

The Committee **accepted** the Finance Report for the nine months to April 2017

18/17 Agenda item 6. Financial Strategy 2015 – 2017  
Mr Hargrove explained that the College was keeping within the agreed financial strategy but there was not as much 'headroom' as before. The Financial Strategy sets the framework for the budget going forward.

The budget for 2017-18 was predicting a smaller surplus of £36,000 compared to £180,000 this year but this would still produce a healthy cash surplus for the year once depreciation was taken into account.

Mr Hargrove explained that the main differences were funding for 18 less pupils (£72,000) and the increased costs of the Progress Tutors next academic year.

Professor Oglesby asked if the 75% forecast of staff costs as a percentage of income was high compared to other colleges. Mr Fisher explained that the staff cost as a percentage of income varied depending on the type of courses taught. Practical courses with high consumable costs had lower staff cost percentage than purely academic courses.

Dr Hunnisett explained that QE was limited to some extent by the size of the classrooms, which determined the number of pupils per teacher.

The Committee **approved** the financial strategy 2015 – 2017.

19/17 Agenda item 7. Budget 2017- 2018

Mr Hargrove introduced the Budget for 2017 – 2018 which had been circulated in advance with the papers for the meeting.

Mr Hargrove explained that funding for 2017 – 2018 was reduced by 18 pupils and expenditure on support staff payroll had increased by slightly more than £200,000. The increased support staff payroll costs were for the Progress Tutors and this had been only partly offset by a reduction of £79,000 in teaching payroll costs.

Mr Wiper asked why tutors were classified as support staff and not teaching staff. Mr Fisher explained that it was largely decided by the nature of the role and the pension schemes the staff qualified to join, which in turn contributed to the definition of their employment contract.

Teachers will be able to devote more time to their subjects in 2017 -18 and pupils will benefit from an increase in teaching time which in turn should have a positive impact on value added and student progress.

In reply to a question about excluding the pension valuation from the figures Mr Hargrove explained that this was consistent with previous years. The pension valuation was completely outside the control of the college and was a non-cash item.

The Committee **approved** the budget for 2017 - 2018

20/17 Agenda item 8. Two year financial forecast 2017 – 2019

Mr Hargrove explained that the two year financial forecast was a requirement of the Education and Skills Funding Agency and was essentially an extension of the budget for 2017 -2018.

The committee considered the difficulty of predicting future pupil numbers. Mr Fisher explained that there were a number of indicators of what future pupil numbers might be but no guaranteed way of knowing until the start of the academic year. The number of pupils attending bridging had been a fairly reliable indicator in the past and bridging numbers this year would suggest about 1,000 pupils will join in September this year. This is ahead of expectations.

Mr Fisher explained that because of lagged funding there was still time to reduce teaching costs if numbers of pupils joining the college in September were lower than anticipated.

In reply to a question from the Chair about any financial contribution from a Teaching School Alliance, Mr Fisher explained that the TSA was essentially self-financing only but there were significant benefits for both the students and the staff.

The Committee **approved** the two-year financial forecast 2017 - 2019

21/17 Agenda item 9. Student Bursaries and Financial Support

Mr Hargrove explained that there were no proposed changes to the grants and bursaries, free college meals and transport bursaries offered at QE for next year.

The Committee **approved** the Financial Support for 2017 – 2018.

22/17 Agenda item 10. HR Report

Mr Fisher highlighted the list of six progress tutors which put names to the payroll costs in the financial forecasts.

Mr Fisher said that he was satisfied that current staffing was nicely balanced to be able to cost effectively deliver the notional curriculum next academic year.

The Committee **accepted** the HR Report

23/17 Agenda item 11. Capital Project (Tower entrance, rooves and perimeter wall)

Mr Hargrove explained that Blackburn Marshall Construction (NE) Ltd had been appointed to do the work to the tower entrance, rooves and perimeter wall.

Mr Hargrove said he wished to seek approval to increase the amount of money from £186,000 already approved for this work to £214,000 to take advantage of the contractor being on site to include further essential works.

In reply to a question from the Chair Mr Fisher said that there would be a noticeable improvement to the appearance of the tower entrance. A double door, which would be closed at night, would be in keeping with the Victorian original and would improve security by preventing people from loitering in the entrance as they have done recently.

The Committee **approved** the increase of funding for the capital project from £186,000 to £214,000.

24/17 Agenda item 12. Tuition Fees

Mr Hargrove explained that there were no proposed changes to the charges for adult courses offered at QE for next year.

The charging was designed to ensure commitment from people attending the courses and the refund aimed to ensure people sat the exam. This was important to ensure good retention figures

The Committee **approved** the charges for adult courses for 2017 – 2018.

25/17 Agenda item 13. Confidentiality

There were no confidential matters.

26/17 Agenda item 14. Date of next meeting

To be confirmed at the Board meeting on 29<sup>th</sup> June 2017.