

Minutes of a meeting of the Finance & Employment Committee held at 6.00pm on Thursday 26<sup>th</sup> November 2009 at the Abingdon campus

**Present:** David Doughty (Chair)  
Sylvia Doyle  
Bruce Hunt  
Teresa Kelly (Principal)

**In attendance:** Di Batchelor  
Miranda Coles  
Mike Gaston  
Jonathan Russell  
David Bramble (Clerk)

**Action**

**1. APOLOGIES FOR ABSENCE**

An apology for absence was received and accepted from Kevin Cull.

**2. DECLARATIONS OF INTEREST**

Di Batchelor, Miranda Coles, Mike Gaston and Jonathan Russell declared an interest in Item 9 Pay Award.

**3. MINUTES OF THE LAST MEETING**

Minutes of the meeting held on 2<sup>nd</sup> July 2009 were approved.

**4. MATTERS ARISING**

There were none.

**5. HUMAN RESOURCES ANNUAL REPORT 2008/9**

In Kevin Cull's absence, Di Batchelor presented the report.

**5.1 Job Evaluation**

32 appeals were being processed. Di Batchelor advised that the number to be heard was down to 8.

**5.2 HR Data**

Di Batchelor advised that the apparent increase in number of disabled staff was explained by the increased number of disclosures rather than a significant increase in number of disabled employees.

**5.3 Cyclescheme**

Following a question, a brief summary of the scheme, which encouraged staff to purchase a bicycle and cycle to work, was given.

**5.4 Payroll**

In answer to a query, it was explained that payroll was currently outsourced but the provider had not been satisfactory and consideration was being given to bringing it back in house. A fully integrated HR system with a payroll option was being investigated.

## 5.5 Vetting and Barring Scheme

Teresa Kelly drew attention to the introduction of the scheme on 12 October and advised that consideration of CRB checks for governors would be discussed at the next Corporation Board meeting.

The HR Annual Report 2008/9 was approved

*Sylvia Doyle joined the meeting.*

## 6. FINANCIAL STATEMENTS 2008 – 09

Miranda Coles presented the draft Income & Expenditure account and Balance Sheet for the year ended 2008 – 09. It was noted that the College Year End accounts, auditors' management letter, governance and members' reports would be considered at the joint meeting with the Audit Committee on 1 December.

Miranda Coles reported that the surplus on continuing operations of £417k was in line with the forecast outturn circulated to the Committee in early October. The Macintyre transactions were now shown separately in income and non pay expenditure in preference to the net figure shown in previous years.

All expenditure on the Witney re-development project had been written-off following the LSC's decision not to provide grant support apart from the £857k contribution towards professional fees received in July. The deficit after depreciation of assets at valuation and tax was £2,104k.

Pension provision for the Oxfordshire County Council's scheme for non teaching staff showed a dramatic increase of over £2m for the year after relatively modest increases in the past two years. The Chair asked Miranda Coles to send the actuary's report to Stephen Dexter for his comments. It was noted that as a result of writing off the costs of the Witney project and the pension provision, the College's reserves had fallen from £12,301k to £7,920k.

Miranda  
Coles

David Doughty summarised the situation as taking a pragmatic balanced view of the financial position and emphasised that the satisfactory operating surplus was key.

The draft accounts were noted and a recommendation to the Board would be made at the Joint meeting with the Audit Committee next week.

Miranda Coles reminded the Committee that in early October, all Board members had been asked, out of committee, to approve, in principle, the purchase of the temporary accommodation currently being rented to provide students' teaching accommodation at Witney at a cost not exceeding £1m. LSC approval of this transaction was awaited. The Committee approved this capital purchase and the decision would be ratified at the Corporation Board meeting on 10 December 2009.

David  
Bramble

## 7. MANAGEMENT ACCOUNTS TO 31 OCTOBER 2009

Miranda Coles gave a brief explanation of the 'framework for excellence' performance assessment which had been introduced at the start of the current financial year. The financial health grade was 'Good'.

### 7.1 Income and Expenditure Account

The Income & Expenditure account was generally in line with predictions showing a surplus before adjustments of £110k compared to a budget figure of £134k. Income

was £27k below budget, non pay costs were £29k over the budget figure but pay costs were £32k under the forecast figure. None of these variances was the cause of concern at this stage of the year. The cash balance was a healthy £1,748k.

## **7.2 Cash Flow Forecast**

The remaining expenditure on the Witney project reflected the intended purchase of temporary accommodation (£998k), the acquisition of land (£250k) and estimated demolition costs. This expenditure would be incurred irrespective of a decision on a revised building project.

Miranda Coles reported that LSC had advised that it would be prudent to preserve a healthy cash balance and pay for the temporary accommodation by means of a loan facility over, possibly, 5 years. After a short discussion, it was agreed that Miranda should investigate the various options for a fixed rate or percentage above LIBOR but retaining the option to repay before the end of the term.

**Miranda  
Coles**

It was noted that a recommendation for a loan facility would be made at the Corporation Board meeting on 10 December.

**David  
Bramble**

## **8. MONITORING OF LSC NUMBERS AND FUNDING TARGETS**

Mike Gaston presented the paper which gave the position at the end of October. 16 – 18 responsive numbers were looking very healthy and target allocations should be exceeded. Adult responsive figures were higher than at this time last year but a lot of work would be needed to reach the targets. A new part-time courses brochure would be published shortly and there would be a marketing campaign aimed at improving numbers of adult students with less reliance on distance learning. A decision on virement of funding between E2E and Foundation was awaited. Mike Gaston advised that no report was available yet in the LIS for daytime guided learning hours for 2009/10.

The monitoring report was noted.

## **9. ANY OTHER BUSINESS**

There was none.

*Di Batchelor, Miranda Coles, Mike Gaston, and Jonathan Russell left the meeting*

## **10. PAY AWARD 2009 – 10**

See confidential minute