

## The Corporation Board of Accrington and Rossendale College

### Minutes of a Meeting of: The Resources Committee

Date: 24<sup>th</sup> June 2014

Location: The Boardroom, Broad Oak Centre



### Confirmed

#### Members Present:

Mr B Stephenson	Chair of the Committee and Independent Member
Mr M Aslam	Independent Member
Mr J Cassell	Independent Member
Mrs L Spencer	Independent Member
Mr Z Shah	Independent Member
Mrs S Taylor	Principal

#### In Attendance:

Mrs S Collinge	Vice Principal (Business & Innovation)
Mr S During	Director of IT & Facilities (Items 13/14-3.12)
Mrs L Higham	Director of People & Performance (Item 13/14-3.5 and 3.6)
Mrs C Jarvis	Director of Finance
Mr A Armiger	Clerk to the Corporation
Mrs N Tattersall	Minuting Clerk

#### Apologies were received from:

Miss C Robinson	Staff Member
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Draft Minutes Prepared by: NT-AA

Draft Minutes approved by the Chair: BS

Minutes Approved by the Committee:

Date:

27-06-14

29-06-14

02-12-14

.....*Brian Stephenson*.....  
Chair

## RC

The Chair welcomed members to the meeting and introduced Zia Shah who has recently been appointed as a Board member.

**13/14-3.1 Apologies for Absence**  
Apologies for absence were received from Miss C Robinson.

**13/14-3.2 Declarations of Interest**  
There were no declarations of interest.

**13/14-3.3 Minutes of the Meeting held on 11<sup>th</sup> March 2014**  
The Minutes from the meeting held on 11<sup>th</sup> March 2014, were approved as a true and accurate record of the meeting.

### RESOLVED

**13/14-3.3 to approve the Minutes of the Meeting held on 11<sup>th</sup> March 2014 as a true and accurate record of the meeting**

**13/14-3.4 Matters arising not otherwise on agenda**  
The Clerk to the Corporation advised that there were three recommendations made from the previous meeting and all had been actioned as follows:

**13/14-2.6** ii) that the Director of People & Performance will prepare questions for the Staff Satisfaction Survey for the Chair to review. The Chair of the Corporation reviewed questions and these were used in the recent Staff Survey.

iii) that the Director of People & Performance will update members at its meeting in June with regard to possible opportunities to move to an in-house system of recruiting and facilitating the use of hourly paid staff. Members will be updated as part of Item 13/14-3.5 at this meeting.

**13/14-2.7** ii) that the Corporation Board take a formal vote on the matter of increasing the pay of college staff currently being paid the National Minimum Wage to the UK Living Wage from 1<sup>st</sup> April 2014. A discussion was held at the Corporation Board meeting on 25<sup>th</sup> March 2014 and resolved as follows:

ii) that the payment of the UK Living Wage, as a minimum pay grade for all college staff, be incorporated into the Revenue Budget for 2014/15 for payment from 1<sup>st</sup> August 2014; and

iii) that should the College's Senior Management Team, after the consideration of the April outturn forecast, agree to make a whole college pay award prior to the 1<sup>st</sup> August 2014 the UK Living Wage will be incorporated into this pay award for those staff identified.

**13/14-2.9** to recommend the College Financial Regulations to the Corporation Board for approval and immediate implementation. The College Financial Regulations were recommended to and approved by the Corporation Board on 25<sup>th</sup> March 2014.

### 13/14-3..5

#### **HR Strategy Monitoring**

The Director of People & Performance presented members with an update on the reviews undertaken in College including Business & Administration, The Studio (which has now closed), Learning Development and Training Support which are being merged into one team. The Vice Principal (Business & Innovation) advised that the Audit Committee had been updated on an issue raised by the Internal Auditors following a recent Apprenticeship audit and that this review was part of actions being taken to resolve that issue.

Mrs Higham then updated on the following areas:

**Pensions** – the Local Government Pension Scheme changed from a final salary scheme to a career average re-valued earnings scheme and this would affect staff currently in the scheme. The College's Discretion Policy has been updated in line with new scheme regulations. A separate report had been prepared on Discretions for discussion later in the meeting.

The Teachers' Pension Scheme will see significant changes from the Scheme from April 2015. These changes will include: move from final salary to career average, retirement age will be increased in line with state pension, inclusion of overtime as pensionable pay and additional flexibilities for members. Some of the elements are still out to consultation and there will also be a rise in employer contributions from September which will affect college costs.

**Use of Protocol National** – a paper had recently been presented to the Senior Management Team which outlined the current model for contracting hourly paid delivery staff. The report provided advantages and disadvantages of the current model but also the risks attached to moving to an in-house model. Whilst it was initially thought an in-house model would provide opportunities for significant savings, there were a considerable amount of challenges.

Mrs Higham advised that in the short term it was not feasible to move to an in-house model without further consideration.

**The Studio** – the Chair wanted to thank Mrs McGonagle, Head of The Studio for the excellent job she had undertaken in establishing the Studio School. Mrs Higham advised that following a consultation process, Mrs McGonagle was served three months' notice of redundancy by mutual consent. Mrs McGonagle has done an excellent job and is a highly respected colleague.

**Pay Award** – the college is still not in a position to make a decision about a pay award for staff. Mrs Higham reported that there had been a meeting with UCU representatives and the position was clarified with them. The Principal will update staff at her end of term presentation. The annual round of pay discussions has taken place at national level and the final offer from the AoC is 1% consolidated pay. Unions have agreed to take 1% back for discussion. Mrs Higham advised members that there had been no provision made for a pay award in the revenue budget for 2014/15.

Mrs Higham then asked members of the committee for approval to recommend the Employer Discretions – Statement of Policy to the Corporation Board for approval. The Chair asked if anyone legally had checked the document and Mrs Higham advised that there was no requirement to do this.

Mrs Higham advised that where a discretion will cost the College money, the answer will always be “no”, except in exceptional circumstances when consideration may need to be reviewed by the Senior Management Team and the Corporation Board. Any discretion which involves a cost to the College will be something which has not been budgeted for.

Mrs Higham referred members to the fact that pension contributions are banded and where a salary changes the employer has the decision as to when to change a member of staff’s pension contribution. The College has taken the decision to do this as soon as a salary changes. With regards to Assumed Pensionable Pay, some staff may have paid overtime, adjustments to salary while on maternity leave. The College policy is that it will not include any “regular lump sum payments” when calculating Assumed Pensionable Pay.

Members confirmed that they were all in agreement to recommend the Discretionary Policy to the Corporation Board for approval.

**Resolved**

- 13/14-3.5**      **i) to note the report; and**  
**ii) to recommend the College Pension Discretion Policy to the Corporation Board for approval.**

**13/14-3.6**      **College Staff Survey 2014**

The Director of People and Performance provided members with an update in relation to the recent Staff Survey. Mrs Higham advised that one of the College’s strategic aims is to be ‘an employer of first choice for talented and innovative staff’ and one of the measures of this is levels of staff satisfaction. The College target for satisfaction is 90%.

Mrs Higham advised that the last four years has been challenging and turbulent for staff following restructures, funding reductions, performance management and reduction in staff members. The response rate to the survey was 64%, which represents a decrease of 14% compared to the last survey. Overall satisfaction was 67%.

The six areas of satisfaction and six areas of least satisfaction were noted within Mrs Higham’s report. Following requests that questions be included in relation to the work of the Corporation Board, 60% of staff taking part in the survey confirmed that they understood the role of the Board and 55% were in agreement that Governors are supportive of the work of the College. The Clerk to the Corporation will hold a session at the next available Staff Development Day and the Principal will include a slide at her end of year presentation about how the Corporation Board and its members have impacted on the work of the college. The suggestion was also made about Governors having identification badges with different coloured lanyards. Mr Armiger said that he would investigate the possibility of this.

Teams have now been asked to prepare action plans for their areas. Mrs Higham did point out that unfortunately some staff had sabotaged the survey by putting themselves into a different team and therefore jeopardising some of the results. Mrs Spencer asked how many teams were involved in the survey and Mrs Higham confirmed there were 42 including Protocol National associates.

Mr Cassell said he felt that staff satisfaction was about recognising and understanding where the workforce's talent is, if an organisation doesn't understand where it is, another organisation will. Mrs Higham advised members that the College's Excellence Awards for staff have been re-launched and staff are able to be nominated in 13 different categories.

**Resolved**

**13/14-3.6 i) to note the report and the issues highlighted within the report**

*6pm Mrs Higham left the meeting.*

**13/14-3.7 Financial Situation to 30<sup>th</sup> April 2014 and Outturn Forecast (including cash flow forecast)**

The Director of Finance presented the financial situation to 30<sup>th</sup> April 2014 and the Outturn forecast. Mrs Jarvis reminded members that there had been a balanced budget planned, but having compiled figures at the end of April there was now a forecast deficit of £100k. All the comparisons in her report were made to the January forecast where a balanced budget was planned.

Mrs Jarvis explained that the executive summary outlined overall impact and an explanation of where main variances are. She noted that the main impact is in the reduction in income and funding lines. Members were advised that Apprenticeship funding is £180k lower than expected in January and advanced learner loans is £80k lower. This has been partially offset by additional income from HE Fees. There are still some areas that present a risk to the £100k deficit predicted and these include 16-18 and 19+ apprentices, which has also been reported to the Audit Committee following a recent internal audit.

Mrs Jarvis moved on to say that the cashflow forecast has improved its position. She also noted that there may be some payments received from main funding bodies e.g. SFA and HEFCE in year which will have to be paid back following a shortfall against the targets required. Mrs Jarvis noted that there was still no provision for a pay award as there would be no surplus available to make the award.

One item not included in the budget is the new Visitor Economy Centre (VEC). Mrs Jarvis advised members that once planning permission has been received for the Project there may be provisions that will be attributable to this year's budget that could potentially increase the deficit to around the £250k position. Mrs Jarvis is working with the External Financial Auditors to investigate how this may be reported in the year-end financial report

The Chair thanked Mrs Jarvis for a very comprehensive report and for highlighting to members the areas of risk the College still has at this late stage of the year. Mr Stephenson noted that he knows from his work with Mrs Jarvis and Mrs Collinge, and could therefore assure other members, that they will be working right up to the end of the year to ensure the best possible outcome is achieved and commended their on-going work. Following final discussions members

**Resolved**

**13/14-3.7 to note the report and the implications of current and projected College income and expenditure on an approved balanced budget**

### **13/14-3.8 Capital Expenditure 2013/14 and 2014/15**

The Director of Finance updated members on where the College had invested its capital allocation this year. Mrs Jarvis reminded members that there had been an assumption in the approved revenue budget for 2013/14 for £300k with an additional £50K unspent brought forward from 2012/13 budget. Mrs Jarvis advised members that the college had approved £328k of expenditure and the vast majority has been spent on IT infrastructure.

The college budget allocated for minor equipment (below £1500) of £70k had not been fully spent this year with expenditure expected to be £60K.

The External Financial Auditors have confirmed that other investment in year of £165k spent on workshop spaces in the Hameldon building can be capitalised and depreciated over the life of the Hameldon Building

Mrs Jarvis advised members that bids for 2014/ 15 capital expenditure programme are being collated and a decision on which bids are successful would be taking place on 26<sup>th</sup> June 2014 noting that bids exceeded the capital budget allocation available in the revenue budget for 2014/15.

#### **Resolved**

**13/14-3.8 to note the report**

### **13/14-3.9 Revenue Budget 2014/15**

The Director of Finance presented the proposed Revenue Budget for 2014/15, which had been produced following a major planning exercise involving all of the college teams and incorporates a significant amount of target setting across the college.

Mrs Jarvis advised that she had tried to target a surplus but advised members that it had only been possible to forecast and work towards a balanced budget. She reminded members that in previous years the College has worked towards achieving a predicted £350k surplus. Mrs Jarvis explained that a balanced revenue budget should still provide the College with a small cash surplus. The budget includes an assumed capital investment expenditure of £300k and Mrs Jarvis noted that the budget, cashflow and balance sheets does reflect the work involved in the Colleges property strategy, but does not include any expenditure relating to “onerous leases”/”dilapidation costs” which may be incurred due to early termination of the Globe lease to allow the hospitality and catering section to move into the new VEC building when completed.

Mrs Jarvis reported that the main College income is expected to reduce by £400k. She advised members that it was important to note that there is an increasing reliance on income from fees and these are more likely to be subject to fluctuations. There are no contingencies for underachievement on the Skills Funding Agency lines and all contracts need to be maximised. The achievement of a balanced budget will rely more heavily on the generation of additional commercial income.

College Expenditure for 2014/15 will have a decreased budget but still needs to take account of some unavoidable increases in expenditure. This relates mainly to the implementation of the Living Wage from August and the requirement to target staffing savings of over £700k. Mrs Jarvis advised that the College has not, unfortunately been able to make a provision for a pay award in 2014/15.

Mrs Jarvis then updated on the following areas:

**Cashflow Forecast** – cash reserves reduce to £1.1m over the year due to capital investment and completion of the new Sports Hall project. By July 2015 the college is still expecting to have to invest £1m to complete the VEC project which will take the College to nearly nil cash reserves. There was a plan to take out a loan to support the project. No assumptions have been made for a loan within the cashflow forecast. The Current Asset Ratio would improve if loan finance is secured.

### **Risks**

Apprenticeship lines – the full contract values had already been received by the College and as already mentioned the college will need to ensure that it makes all ALS claims accurately and that they are evidenced correctly

ESF and Other projects – the College secured two ESF projects in 2013/14 and estimates reasonably prudent but taking time to get off the ground. At risk until we get mid-way through contracts.

Advanced learner loan fees – the full contract value is included along with an assumption that the College will deliver half and a subcontractor the other half. The college will be looking to see how it can increase the proportion of the contract it delivers to minimise the risk.

HE Fees – this income had previously been based on grants, but is now based on fees paid by students (normally through loans) in several tranches throughout the year and income will be lost if the learner is not retained.

Expenditure – the main risk is the staff pay line as it has the biggest target savings. Already done work to rationalise staffing to ensure the college is geared up for funding cuts. Work has and will continue to be carried out to increase efficiency of curriculum and income targets for training assessors.

Mrs Jarvis advised that the College will be looking for a loan of £1m+ to draw down in July 2015. The College will continue to report its financial health to the Skills Funding Agency and its banking partners.

Mr Cassell asked “if someone one was good enough to provide a cheque for the college to make life easier, what figure would it have on it?” Mrs Jarvis responded that initially around £500k would make a significant difference. The College needs to look at ways of raising additional funding and is working on a number of ideas. More apprentices would help ease the situation. The college hasn’t lost sight of where our opportunities lie, and needs to maximise HE and Adult Learner Loans.

The Chair advised that the college and the Board needs to be realistic about what can and can’t be included within the budget. Mr Stephenson advised members that he had requested that Mrs Jarvis send the revenue Budget in a spread sheet format so that he could do some “number crunching before meeting with the Principal and Vice Principal (Business and Innovation) prior to this Resources Committee meeting to highlight risks, for next year. Mr Stephenson said that he was assured, as could other members be, that every line of the proposed Revenue Budget for 2014/15 has been well thought through and there is an understandable rationale for each item. The tradition of grant funding is now moving to student fees. The Chair said the College has got as close as it can be to achieve a realistic position for 2014/15. The Chair asked members if they were sufficiently satisfied to enable them to

recommend a balanced budget to the Corporation Board with the implication of not achieving a surplus and there being no staff pay award included at this time.

Mr Shah asked about the certainty of the level on income. Mrs Jarvis explained that it was always a difficult question to answer and it was entirely possible the College could under achieve income targets by £500k. The Chair said it was also possible the College could under achieve on some of the expenditure savings required. The Chair also noted that grant funding methodology in previous years allowed for certainties in funding but current methodologies made this far more difficult as they relied on achieving set targets and financial clawbacks in year and degrees of income certainty decrease each year.

It was agreed that discussions would continue to be held at the Corporation Board in relation to the possibility of making a staff Pay Award, as the year progress.

The Principal stated that a huge amount of work had been undertaken in order to predict a balanced budget and there is no room for movement in it. It is commendable what Mrs Collinge and Mrs Jarvis have done to achieve this.

The Chair thanked all those involved for their hard work in putting the budget together. It will now be taken to the Corporation Board with assurances that it has been fully scrutinised before being presented to the Resources Committee and further at this meeting.

The Financial action plan will be monitored by the Senior Management Team and the Resources Committee and any fundamental changes will be presented to the Board.

Following final discussions members

**Resolved**

**13/14-3.9 to recommend the College Revenue Budget 2014/15 to the Corporation Board for approval**

**13/14-3.10 SFA Financial Health Opinion**

The Director of Finance presented an update on the annual Skills Funding Agency financial health status. This update is based on the finance record for 2012/13 and reflects financial statements submitted. The SFA have graded the College's financial health as Good for 2012/13 and based on the plan Mrs Jarvis advised that the College expected "Satisfactory" reflecting a positive outcome last year. The SFA also review the College's underlying financial health and graded this as "Satisfactory" which mirrored the College's self-assessment

It was noted that some colleges have moved to lower health categories across the sector. Mrs Jarvis will forward a link to the Clerk to the Corporation where members can compare ACCROSS against other colleges. Mrs Jarvis advised members that compared to some other local colleges ACCROSS cash reserves are much lower which may be a weakness.

**Resolved**

**13/14-3.10 To note report and the Financial Health Status of the college**



### **13/14-3.11 Property Strategy Update inc Project Financial Updates**

The Vice Principal (Business and Innovation) updated the committee on progress made with the construction of the Sports Hall and Visitor Economy Centre projects.

#### **Sports Hall**

The construction of the sports hall is progressing well despite a delay in receiving planning approval. Construction of the hall is partially funded by the Skills Funding Agency Enhanced Renewal Grant which was approved in 2013 and covered a third of the planned costs.

The College also received project funding from Sport England for £260k which was subsequently increased to £361k, therefore making a difference to the College cash reserves. Mrs Collinge advised members that in order to draw down the funding from Sport England the organisation requires a legal charge on the Sports Hall, Pavilion and adjacent road. Mrs Collinge advised that there are currently no other charges on any College property and members of the committee were requested to consider this legal request and make a recommendation to the Corporation Board for approval. Mrs Collinge noted that this charge is non-negotiable, was for a period of 21 years and will also determine whether Sport England release the funding or not.

Mrs Collinge noted that if the College wanted to do anything with the Sports Hall adjacent pavilion building or surrounding area it would need Sport England's prior approval. If the College contravened any of the other terms Sport England may also claim on this in order to get their funding returned. The Chair advised that if at any point the Bank wanted a charge on the College, a Deed of Priority would need to be agreed.

The Chair asked about the 21 years and Mrs Collinge advised that this was a standard contract and was non-negotiable and that there were some requirements to do with the day to day operation of the sports hall and commercial use. Mrs Collinge is working to achieve the requirements and noted that it will be monitored for 5 years. The Chair also asked if there was any significant risk of breaching any of terms. Mrs Collinge confirm that there was no significant risk and an action plan is in place together with a working group to ensure all requirements of Sport England were met by the College

Committee members were in agreement to recommend Sport England Legal Charge to the Corporation Board for approval.

Mrs Collinge had provided a breakdown of the expenditure and advised that the College's contribution remained below the figure approved by the Resources Committee on 25<sup>th</sup> June 2013 and that this is mainly due to the additional grant from Sport England.

### **Visitor Economy Centre**

The plans will be considered by the Hyndburn Borough Council Planning Committee on 13<sup>th</sup> August 2014. As soon as planning permission is received the College will have an obligation to give notice on the Globe which could result in an “onerous lease” and incur costs.

Mrs Collinge then updated in relation to the Budget. The project costs still remain in line with the CCIF6 bid of £5.35m of which the SFA will contribute 75%. This leaves the College to contribute £1.34m from College reserves, and therefore the college needs to secure a Bank loan for this amount. Mrs Collinge advised that she is currently working with three banks in order to get the best deal on the loan. If the College doesn't manage to secure a loan it will have to look at other options i.e. leasing costs and/or managing its overdraft and cash reserves. The College also has a team who constantly look for opportunities for external funding and has recently been successful in securing a bid for £46k funding from the Savoy Trust.

It was noted that Board approval would be required to enter into a loan agreement and Mrs Collinge agreed to bring the terms negotiated with the banks to the next Resources Committee for scrutiny

The Chair then suggested that if members were in agreement, in order to enable Mrs Collinge to work with the banks the committee should recommend to the Corporation Board that it approved, **in principle**, the obtaining of a bank loan of up to £1.5m to draw down when needed to finance the VEC project. Members of the committee were in agreement to the Chair's recommendation.

An update on other property matters was also included in Mrs Collinge's report, which members noted.

Members

### **Resolved**

- 13/14-3.11**
- i) to note the report**
  - ii) to recommend that the Legal Charge required by Sport England in relation to the Sports Hall funding be approved by the Corporation Board.**
  - iii) that the Resources Committee recommend to the Corporation Board, that the College can, in principle, work to obtain a loan of up to £1.5m to be drawn down when required to support the finance of the College VEC project**
  - iv) that Mrs Collinge will provide a report to the next Resources Committee in November 2014 to allow scrutiny of the negotiation of terms with banks for a loan of up to £1.5.**

### **13/14-3.12 Draft Property Strategy 2014-2017**

The Director of IT and Facilities presented the draft Property Strategy for the next three years. Mr During advised that since approval of the last property strategy, it is now clear that all future funding for capital projects for FE Colleges will be channelled via the LEP to meet their priorities. The college is best placed to take advantage of many of the sectors identified in the Lancashire Strategic Economic Plan. However, to enable the College to be in a position to address the plan effectively, some investment will be required to modernise its estate to make it fit for purpose in relation to the LEP agenda. The Principal advised that the College has already submitted a tentative application for Funding to the LEP following a request for a 10 year capital plan lined up with their priorities.

Mr During has identified the property modernisations to be considered:

**Option 1** – the base case. Under this option the College will continue to:

- Deliver its higher education and skills provision at the Broad Oak centre. However the space available for growth within this centre is limited given that the Broad Oak centre is the main teaching building.
- Resolve the health and safety issues identified in the Hameldon centre but embarked on no major refurbishment of the building to remodel it to meet emerging LEP priorities.

Adopting this model is fraught with difficulties which may have a negative impact on the College business and affect future viability.

**Option 2** - this option involves implementing a programme of significant refurbishment works to improve the condition and functionality of the Hameldon building. In this option, existing construction and motor engineering workshops will be modernised and space which is fit for purpose to accommodate the new environmental technology and sustainable construction skill centre.

**Option 3** - this option entails identifying new accommodation for the higher education and skills centre. Options to be considered will include a new build or the purchase and refurbishment of suitable offsite premises possibly incorporating accommodation for students.

**Option 4** - this option combines both options 2 and 3 to create spaces which are fit for purpose and suitable for taking full advantage of the opportunities presented by the LEP priorities.

Mr During asked the committee to note the report and the options being proposed. A more detailed property strategy will be presented in the Autumn Term. Whilst the College acknowledges it needs to make some bold moves, the reserves, because of current capital projects, are almost relatively at a nil value and the College will not be in a position to fund any investment from its own reserves. The College continues to seek funding from alternative sources.

The Vice Principal (Business and Innovation) noted that the College needs to be in a position to move quickly against external funding opportunities and be ready with ideas. The property strategy will be aligned with and driven by the Curriculum Strategy and the SMT will be reviewing this at their next Away Day.

The Chair asked Mr During to include any identified costs in the final version of the Property Strategy, which will be presented to the Resources Committee in November.

**Resolved**

- 13/14-3.12**      **i) to note the report and options proposed; and**  
**ii) Updated Property Strategy to be presented to the Resources Committee in November**

**13/14-3.13**      **Tender Items for Possible Board Approval**

The Vice Principal (Business and Innovation) updated the committee on prospective tenders which may need Corporation Board approval. Mrs Collinge asked the Resources Committee to consider her report and recommend the following tenders to the Corporation Board for approval.

- To enter into a contract for insurance which may exceed £100k if a multi-year contract is of the better value; and
- To enter into a new contract for the supply of electricity and gas, again the better offer may be for a multi-year contract; and
- To extend the subcontracting arrangements with current partners and negotiate an additional arrangement with another partner if necessary. The College currently works with Focus Training and Lancashire Fire & Rescue Service who are both tried and tested. If additional business is required in the future, the College would like to partner with Learning Curve who the College has worked with in the past.

The Chair asked members if they were in agreement to recommend to the Corporate Board the requests made. Mr Stephenson noted that the first two requests are straight forward and will get appropriate scrutiny within the College and it would also make sense to extend the term if it was better value. In terms of the subcontracting, this used to come as a formal paper to the board and target set. The principle is still the same and the College uses its knowledge and partnerships and members were in agreement to continue with the current contracts and look at opportunities to maximise revenue for adult learner loans.

Mrs Collinge advised that this item would become a regular standing item.

**Resolved**

- 13/14-3.13**      **i) To note the report**  
**ii) to recommend the following three requests to the Corporation Board for approval:**

- a) To enter into a contract for insurance which may exceed £100k if a multi-year contract is of the better value; and
- b) To enter into a new contract for the supply of electricity and gas, again the better offer may be for a multi-year contract; and
- c) To extend the subcontracting arrangements with current partners and negotiate an additional arrangement with another partner if necessary.

**13/14-3.14 Declaration of any Confidential Items**

There were no items deemed to be confidential.

**13/14-3.15 Dates and Times of Next Meeting**

To be confirmed at the Corporation Board Meeting on 8<sup>th</sup> July 2014

*The Chair thanked members for attending the meeting.*

**Meeting finished at 7.45pm**