

**Minutes of the Finance Committee
held on Tuesday 25 September 2018 at 8.00am
In Room 814
at Matthew Boulton Campus**

Present:	Apologies:
Hilary Smyth – Allen (HA) – Chair	
Veronica Docherty (VD)	
Steve Hollis (SH)	
Peter Croom (Co-opted member)	
Sam Coles (SCO)	
In Attendance:	
Simon Cosson (SC)	
Liam Nevin (LN)	
Martin Penny (MP)	
Louise Jones (LJ)	

Apologies & Declarations of Interest

No apologies were received.

There were no other declarations at this point in addition to those recorded on the register of interests.

Item 1 – Minutes of the Finance Committee held on 3 July 2018

The open and confidential minutes were approved as a true and accurate record save for an amendment to page 4 of the first confidential minutes in respect of which it was agreed that VD's observation referred to all governors.

Matters Arising and Action Log

The action log was noted.

With the approval of the Chair items of business were taken in a different order to that set out on the agenda.

Item 2 – Management Accounts

This item is recorded in a confidential minute.

Item 3 – Enrolment Update

LJ introduced this item and advised that, in relation to 16-18 recruitment, the College was 200 short on the same position last year.

VD stated that the enrolment numbers were a concern as they appeared to be about 500 down on the 16-18 target and the same number for adults.

LJ advised that the ESFA target for recruitment was 6,667 and the College net figure as of yesterday was 6,400. The College was still recruiting a small number of students and there would be additional in year recruitment in relation to the Princes Trust. Therefore a realistic forecast is that the College would be 100-200 students short.

The remainder of this item is recorded in a confidential minute

Item 4 – Budget Control Implementation Plan

SC introduced this item and explained that MP would be reviewing the plan and thereafter he summarized the RAG status of the implementation plan.

Training plans were in place and these were on schedule, however business partnering was “amber” as it was recognized that additional resource was needed and interviews were underway to appoint a new finance business partner. In addition, financial process improvement was “red” rated as the College needed to improve its creditor processes.

The arrangements for re-forecasting and supporting governance processes were now in place and MP would be reviewing this to ensure that the forecast was properly integrated into cash flow.

HS asked whether the proposed appointments were in budget and SC advised that some resignations in the team had allowed for resource to be directed into different roles but that there would be approximately £30-40k of additional costs over the year which would be absorbed into the new forecast.

LJ stated that benchmarking demonstrated that the College was understaffed in the Finance Team compared to other Colleges and that this investment was essential to ensuring the improved controls were effectively implemented.

HS asked whether the new roles would address the BDO recommendation and SC advised that the Business Partner role did this but at a more junior level

VD stated that she had read in another paper a proposal to reduce classroom time by improving IT and LJ advised that this was a reference to curriculum developments being managed by the Quality Team and would not be impacted by the savings required in the Data and IT Team.

VD noted that there were a significant number of budget holders and HS stated that this was why the Committee had asked for more granularity in the explanation of reporting lines.

HS asked how management would identify weaknesses in individual capacity and capability given the number of budget holders. SC advised that the heat map had been adapted from the version used for addressing the same concerns in the curriculum teams and LJ confirmed that the approach had given her the data to identify where intervention was necessary.

Accordingly it was

RESOLVED

- **That the report be noted**

Item 5 – Loan Refinancing Update/Independent Business Review/Management Response

This item is recorded in a confidential minute

Item 6 – Property Disposals

This item is recorded in a confidential minute

Item 7 – Partnerships Update

This item was taken as read.

Accordingly it was

RESOLVED

- That the Committee note the financial forecast for 2017/18 as per the published Subcontractor declaration
- That the Committee note the Subcontractor performance by funding stream for 2017/18

Item 8 – Committee Terms of Reference

This item was taken read.

Accordingly it was

RESOLVED

- That the Committee recommend to the Corporation the changes proposed to the committee terms of reference

Any Other Business

Date of next meeting: 4 December 2018

Signed.....


Chair

Date.....



