

**Minutes of the Meeting of the Finance Committee
held on Friday 9th December 2016 at 8.00am
In Room 814
at Matthew Boulton Campus**

Present:	Apologies:
Jenni Ord (JO) (Chair)	
Veronica Docherty (VD)	
Joel Blake (JB)	
Andrew Cleaves (AC)	
In Attendance	
Simon Cosson (SC)	
Helen Ainsbury (HA)	
Liam Nevin (LN)	

Apologies & Declarations of Interest

There were no declarations in addition to those recorded on the register of interests.

The Chair welcomed Joel Blake to his first Finance Committee meeting.

Item 1 – Open and confidential Minutes of the meeting held on 8 July 2016

The minutes were agreed as a true and accurate record of the meeting.

Matters Arising and Action Log

It was noted that the actions had been completed save for reporting back on the implications of Brexit for the property disposals and this would be addressed under agenda item 8.

Item 2 –Operating Plan Update

The Committee noted that the actions accompanying the paper were highly detailed and debated whether the level of detail was obscuring a higher level focus on achievement and intervention.

The Principal advised that this was essentially a presentational issue. The intention was that the success measures were the main source of assurance for the Committee and where these indicated that performance was below target, then the detailed actions would provide the narrative of mitigations. He agreed that the presentation of the material could be better focused to support governors with this analysis and that this would be addressed by the Executive.

JO stated that the granularity of the actions were necessary for the Executive but the key issue for the committee was the identification of the risk associated with particular success measures and the mitigating actions being taken to address underperformance. The focus for governors was to be able to see the key performance metrics, to assess actual performance and mitigations where there was underperformance, and finally to be assured about the robustness of the data underpinning these judgements.

HA advised that the mitigations were contained in the action log but that she would summarise these and circulate them to the committee members.

VD queried whether a "green" RAG rating was appropriate where delivery against an objective had yet to start and HA advised that this was appropriate as there were no concerns to identify at this stage.

Thereafter HA summarized the key areas to note; Attendance was currently at 87.8% but the Executive would expect it to be 90% at this stage in the year. Maths and English was below the College target but showing an upward trajectory compared with 2015-16. Lesson observations were very low against the profile, but there would be a big increase showing once the November data was collated. Student satisfaction was showing a significant improvement from 2015-16 and the next key milestone was the Big Teaching and Learning Survey in February 2017.

The Principal stated that he had asked for data reporting to show in year profiling for future reports.

HA drew the Committee's attention to the staffing data, and advised that although time to fill vacancies was a success measure her team were still working with HR on the data capture. Generally, it was notable that HR staff were still required to spend significant time on manual data capture and this was an issue being reviewed by HA with the Director of HR.

JB asked HA to summarise what the issues were with HR data and HA advised that in addition to the data captures issues summarized above, the automated PMR system was not particularly effective and consideration was being given to replacing this.

JB advised that he was familiar with an effective platform that was used in education and the public sector and would discuss this with HA.

JO asked at what stage the College would expect to have completed PMRs given that currently completion was running at approximately 50%.

The Principal confirmed that the expectation was completion by October and it was acknowledged that current progress was not acceptable.

JO noted that the commitment of all staff to the College's objectives was critical and that this was an important measure of that commitment.

The Principal agreed with this analysis and stated that the College was investing heavily in training and development for Departmental Managers this year to reflect the need to engage and empower staff. The programmes addressed the psychology and practice of leadership.

In relation to the IT issues the Executive had made a balanced decision as to where to focus its resources and had determined that the initial priorities was to develop and improve classroom technologies and that changes in support systems such as HR would follow this.

There being no further debate

Accordingly it was

RESOLVED

- **That the report be noted**

Item 3 – Financial Statements and Letter of Representation

SC introduced this issue and advised that the audit of the accounts had been completed and had only identified a small number of procedural issues and audit recommendations that were being addressed. However, there was a potential for clawback of funding from the SFA relating to historic sub-contract provision that was being considered by KPMG. At present

the extent of any liability and the quantum arising from that could not be ascertained and there would be further discussions between SC and KPMG to determine how to present this in the accounts prior to the financial statements being recommended to the Corporation.

Accordingly it was

RESOLVED

- **That the Draft Financial Statements and Letter of Representation be referred to the Corporation for consideration with particular regard to the matters referred to in the preamble to this minute**

Item 4 – Management Accounts

This item is recorded in a confidential minute.

Item 5 – Financial Health Score

SC introduced this report and advised that the SFA had provided a letter of commentary on the College's financial plan and a dashboard of key financial indicators both of which concurred with the College's assessment. The College's financial health would remain inadequate until the BIS loan had been repaid.

The Principal confirmed that he had responded to the SFA and it was agreed that a copy of the letter would be appended to the Corporation papers in respect of this issue.

Accordingly it was

RESOLVED

- **That the Committee note the SFA's assessment of the College's financial health.**

Item 6 – Pay Award 16-17

This item is recorded in a confidential minute

Item 7 – Partnerships Update

SC introduced the report and advised that the key point to note was that sub-contracts for apprentices may outturn below budget but any shortfall would be made up for by apprenticeships delivered by the College.

Accordingly it was

RESOLVED

- **That the report be noted**

Item 8 – Property Disposals

This item is recorded in a confidential minute.

Item 9 – Annual Workplan

It was noted that the plan contained the standing items of business for the Committee over the academic year.

Accordingly it was

RESOLVED

- That the annual work plan be noted

Any Other Business

It was agreed that an alternative date be arranged for the next meeting of the Committee in view of the absence of some governors.

Date of next meeting: TBC

Signed.....
Chair

Date.....1-3-2017-