

**Minutes of the Meeting of the Corporation
held on Thursday 16th May 2019 at 8.00am
in the Boardroom of Matthew Boulton Campus**

Present:	Apologies:
Sir Dexter Hutt (Chair) (SDH)	Dan Zastawny
Cliff Hall (Principal) (CH)	Sam Coles
Veronica Docherty (VD)	Angela Myers
Keith Horton (KH)	
Michele Larmour (ML)	
Hilary Smyth- Allen (HS)	
Simon Thompson (ST)	
Amardeep Gill (AG)	
Prue Huddleston (PH)	
Iqbal Mohammed (IM)	
Jane Smith (JS)	
Daniel Millington (DM)	
In Attendance:	
Louise Jones (LJ)	
Liam Nevin (LN)	
Martin Penny (MP)	

Apologies for Absence

Apologies for absence were received from Dan Zastawny, Sam Coles and Angela Myers.

Keith Horton advised that he would need to leave the meeting at 9.30

Declarations of Interest and Matters Arising

No declarations were received in addition to those contained in the register.

Item 1 – Open and Confidential Minutes of the Meetings of 14 March, 28 March and 11th April 2019 and Action Log

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

In respect of the Action Log it was noted that SDH had not been present at the meeting to discuss employer engagement.

Item 2 – Report from the Chair of the Finance Committee

HS advised that the Committee had reviewed every agenda item individually but had also focussed on what the reports collectively revealed about the College finances.

There had been a lengthy and detailed scrutiny of the management accounts and SDH stated that it evidenced effective and probing governance.

MP advised that some of the tables in relation to debtors needed to be clearer and that this was being addressed in the production of the next management accounts.

ML stated that the College had a history of over-forecasting apprenticeship income and it appeared that this was still a risk identifiable in both the management accounts and the Recovery and Improvement Plan. MP advised that in relation to the current financial year the presentation of the data did not reflect the full picture and this would be amended to show programme commitments. The College had achieved income of £3.9 million against a £4.1 million target and there would be a focus on achieving the additional £200k over the next few months.

HS advised that the Committee had explored an over-spend in relation to utilities and MP explained that the College had entered a new purchasing arrangement but not all utilities had been transferred to the new supplier. Consequently, the accounts showed an adverse position of approximately £300k.

ML noted that the College still appeared to be under-recruiting students and she queried how this was feeding into the financial picture. MP advised that the effect of lagged funding was such that this would feed into the next financial year and that in respect of the current year the College would be between 97-100% of its AEB allocation and would therefore be able to draw down all of this allocation.

SDH noted that the student loan position had a number of variables and MP advised that the College was currently running £2.1 million against a £2.3 million target. However, next year would present a challenge as this year £600k of the allocation had been attributed to the Career Learning Pilot and for 19/20 all delivery would need to be through Advanced Learner Loans.

At the request of SDH, MP summarised the previous control weaknesses with Advanced Learner Loans and how these had been addressed and VD noted that these measures should also reduce bad debt write offs.

KH stated that he was pleased to hear the extent of interrogation and diligence applied by the Committee but felt that the draft minutes needed to better convey this.

Thereafter it was noted that the Apprenticeship Funding Summary Table at 4.6 of the management accounts contained a budget line that was categorised as "unknown." MP advised that this was finance that had not yet been allocated to the correct College and it would be addressed once the data was cleansed. HS stated that governors should continue to have the information presented in this way as it reflected the basis upon which the Executive were making decisions. However, it would be helpful to have an explanatory note added.

ST asked for confirmation of the College's cash position and the steps being taken to manage that on a daily basis. MP advised that the College had reached its low point for the year in March and he expected that at the year-end there would be £1.2 - £1.3 million of cash available to the College. The position was reviewed on a daily basis and only three people had control over the data.

HS stated that the Committee had been assured that the College was not using creditors to underpin its position and MP confirmed that it was not, that the total exposure to creditors was approximately £1.4 million and that this was normal for a College of the size of BMet.

ST queried whether the College was keeping forecasting accuracy under review and MP advised that he had retained all the old models and these confirmed that the College had closely followed its forecast but there had been some profiling changes arising from property sales.

HS stated that the Committee had reviewed the Performance Report/Business Review in relation to the Committee's functions. ML stated that whilst it was not a matter for the Finance Committee the performance indicators for student progress were concerning as the percentage of students who were on track, compared to the target suggested that there was a considerable gap.

CH stated that this issue had been a matter of considerable discussion at the Academic Standards Committee. It was understood that the indicator was based on student progress against a stretch target as opposed to the progress that might reasonably be expected of the students at this stage of the course. As such the measure was not helping the Corporation to judge student progress across the curriculum and it was necessary to report on progress in a more holistic way.

ML suggested and SDH agreed that the indicator needed to be revised as it was not helpful to engendering confidence in progress if the College was not working to targets that were achievable.

HS noted that the indicators were provided at a College wide level but the business plan was constructed around the four Colleges and therefore it was not always easy to see where the performance issues were when the data was blended.

SDH stated that the performance information should give strong intelligence on potential outcomes and he did not feel that this was the case currently.

JS stated that she would welcome College performance reporting as this would be a strong motivational tool and would encourage local ownership of performance.

VD stated that it would be helpful to also see information presented by sector area to see inconsistencies in performance between Colleges and in relation to particular areas of provision.

There being no further discussion

Accordingly it was

RESOLVED

- That the report from the Chair of the Finance Committee be noted.

Item 3 – Draft Business Plan/Recovery and Improvement Plan

This item is recorded in a confidential minute

Item 4 – Board Governance Review

LN presented the report and it was noted that governors had read the detail and the recommendations and there was agreement to these. It was also noted that the membership of the Governance and Search and Remuneration Committee required a refresh and LN advised that the Committee needed four independent governors as members. It was agreed that SDH, HS, VD, ML, and PH would be members of the Committee and that LN should canvass the other independent governors to establish whether there was any further interest.

Accordingly it was

RESOLVED

- That the amendments to the Instrument and Articles as appended to the report be approved subject to the approval of the banks (Lloyds and Barclays) and the ESFA
- That the Corporation appoint Peter Croom as a member of the Corporation subject to the amendment of the Instrument and Articles to increase the maximum number of independent governors to fourteen
- That the amended scheme of delegation as appended to the report be approved

- That the Finance Committee be re-designated as the Finance and Resource Committee and that its terms of reference be amended to reflect the proposals in the body of the report
- That the AoC Model Disciplinary and Grievance Procedures for Senior Post Holders be approved
- That the Governance and Search and Remuneration Committee membership be comprised of SDH, HS, VD, ML and PH and such other governors (not including staff and student governors) who agree to serve as members of the Committee.

Item 5 – Governor Confidential Discussion and Any Other Business

This item is recorded in a confidential minute.

Date of Next Meeting: Thursday 11 July 2019

Signed.....

Chair

Date..... 11. 7. 19 .