

**Minutes of the Finance Committee
held on Tuesday 30th April 2019 at 8.00am
In Room 814
at Matthew Boulton Campus**

Present:	Apologies:
Hilary Smyth – Allen (HA) – Chair	
Cliff Hall (CH) – Principal	
Veronica Docherty (VD)	
Peter Croom (Co-opted member)	
In Attendance:	
Dexter Hutt (DH)	
Liam Nevin (LN)	
Martin Penny (MP)	
Louise Jones (LJ)	

Declarations of Interest

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

Item 1 – Minutes of Finance Committee held on 26 February 2019

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

Matters Arising

HS stated that it was important that the Committee used the supporting papers to inform their view of the overall position and whilst the management accounts were a good place to start it would be necessary to cross refer to other papers.

Item 2 – Management Accounts

This item is contained in a confidential minute

Item 3 – Performance Report/Business Review

LJ reminded the Committee that the report was a tool to assess progress against the annual objectives that were monitored by the Committee.

HS noted that apprenticeship income appeared to present a risk to the College and MP advised that this and Adult Learner Level income were being closely monitored.

LJ advised that in relation to apprenticeships £3.9 million income had been generated from the current cohort of students and that there were four months to now generate the 200k required to hit target. There was a detailed plan for this income and therefore confidence that the target would be achieved.

VD noted that there had been some deterioration in the measures relating to classroom performance and questioned whether the focus on finances might be distracting from a focus on the classroom.

CH explained that work was being undertaken to review the measures for assessing student progress and that these would be reported to the next Academic Standards Committee.

Accordingly it was

RESOLVED

- **That the report be noted**

Item 4 – Financial Controls

MP presented the report and advised that Internal Audit were undertaking a follow up audit of the improvement actions that had been implemented which would provide the Committee with further assurance around the actions taken in recent months in respect of financial controls.

HS noted that training of budget holders had not yet been completed and queried when this was planned for. MP stated that individual budget holders were being trained as part of the routine budget management meetings. However, the finance system was being changed in approximately four months so it would be necessary to provide the training on this new system as part of the implementation plan at the end of the financial year.

Accordingly it was

RESOLVED

- **That the report be noted.**

Item 5 – Property Disposals

This item is contained in a confidential minute

Item 6 – Financial Recovery Plan Update

LJ summarized that the College had made savings of approximately £2.4 million in 2018/19 with a further 100k planned in year. In addition, a further 600k was planned for 2019/20.

HS stated that it was important that these savings did not result in costs being incurred elsewhere in the organization and MP assured the meeting that this was not the case as recruitment had to be to an establishment position and within an approved cost base.

Accordingly it was

RESOLVED

- **That the report be noted**

Item 7 – Initial Draft Budget and Business Plan for 2019-20

MP advised that the information before the Committee was the base case applicable if the College continued with its existing footprint. Further work was being done on the plan and costings in relation to the disaggregation of Stourbridge provision and this would be ready for discussion at the May Corporation.

HS stated that the Corporation would need to consider both plans with a view to the most sustainable future for the College.

Accordingly it was

RESOLVED

- **That the Committee note the progress made on the draft budget and business plan for 2019/20**

Item 8 - Framework Policy for Fees

MP advised that the policy had been subject to review by all relevant departments and as a result some minor changes were proposed and were now before the Committee.

It being noted that the changes were minor, the Committee resolved that no discussion was necessary and

Accordingly it was

RESOLVED

- **That the Committee recommend the Fee Policy for 19/20 to the Corporation for approval**

Item 9 – EFU Briefing Paper

MP advised that the report provided an update on major projects and the work of the team who managed the bidding processes.

HS asked what the cost to income ratio was for the team and MP stated that this was under review as the team was responsible for project income generation and apprenticeship administration and support and it was necessary to separate the two.

VD questioned whether the College was making best use of its premises for community events, particularly at weekends and during evenings, and LJ advised that this was being considered as part of the Income Diversification Strategy.

Accordingly it was

RESOLVED

- That the report be noted

Item 10 – Financial Health Letter and Dashboard

MP advised that the benchmarking information was useful but should be treated with caution as colleges did not have a consistent approach to the information that was presented. It was important that the College undertook some more detailed benchmarking of the appropriate level of staffing and support costs to better assess its performance and target.

Any Other Business

There was no other business

Date of next meeting: 2 July 2019

Signed.....
Chair

Date..... 9/7/19

