

**Minutes of the Meeting of the Finance, Business and Development Committee  
held on Thursday 27 February 2014 at 8.00am  
in Room 814 at Matthew Boulton Campus**

<b>Present:</b>	<b>Apologies:</b>
Steve Brittan (Chairman)	Steve Hollis (SH)
Christine Braddock (Principal) (CB)	
Clive Stone (CS)	
<b>In Attendance:</b>	
Bob Pattni (Chief Operating Officer of Business Planning, Finance & Governance)(BP)	
Louise Jones (Chief Operating Officer of Organisational Support) (LJ)	
Anthony Dennant (Executive Director of Data Management & Business Planning) (AD)	
Clive Hill (Deputy Principal) (CH)	
Catherine Bennett (Clerk)	

**Apologies**

Apologies had been received from Steve Hollis.

**Declarations of Interest**

There were no declarations of interest save for those already declared in the Register of Interests.

**Item 1 – Minutes of the Meeting held on 14 November 2013**

The Chairman led the Committee through the open and confidential minutes of the meeting held on 14 November 2013 and it was agreed they were a true and accurate record of the meeting.

**Matters Arising**

BP stated that the financial statements for BMet and the former Stourbridge College had been approved by the Chairman on 23 December 2013.

CB stated that the pay award for BMet staff had been implemented for 2013/14 academic year.

CB stated that following the endorsement of the Chief Operating Officer posts by the Board, this Committee would be supported by Bob Pattni and Louise Jones. The other Committees would also be supported by Chief Operating Officers.

**Action:** List of individuals and the Committee they support to be circulated to Governors through Drop Box

## **Item 2 – Annual Review of Terms of Reference**

The Chairman led the Committee through the Terms of Reference. Following a detailed discussion all members agreed the Terms of Reference and recommended that the quorum to be at least 2 members

**Approved:** The Committee approved the Terms of Reference and recommended the quorum to be at least 2 members.

**Action:** Change quorum of members to read 'at least 2 members'

## **Item 3 – Mid-Year Update 2013/14**

### **Human Resources**

LJ led the Committee through this item giving a detailed overview of the HR strategy, staff utilisation, absences, performance management harmonisation and equality and diversity giving the Committee a detailed overview of each of the graphs relating to the above items.

Governors asked what was being done to bring the levels of sickness absences down. LJ stated that together with monitoring the systems and unpicking the data HR were looking at ways of providing training to managers on how to spot the signs of stress in their staff before they go off on sick leave. As part of the HR policy review, LJ informed the committee that talks are taking place with Unions regarding sanctions being put in place to reduce the level of absenteeism. LJ stated that sickness levels at the college for short term absences were below the sector norm.

The Committee then discussed the performance management process. LJ stated that one key priority has been to streamline the performance management process through the Cintra HR system to make it easier for both managers and staff to use.

Governors then discussed workforce deployment and whether the college had appropriate staffing in place. LJ informed the Committee the workforce was higher than expect due to the merger, however, this gives the college the ability to move staff into areas where there were shortfalls. Governors asked if the Executive Team could provide data on sector norms giving rag ratings for each of the issues.

The Chair thanked LJ for presenting what was a very detailed report.

**Action:** Executive Team could provide data on sector norms giving rag ratings for each of the issues.

### **Finance**

BP gave a presentation of the financial situation giving the Committee a detailed overview of each slide as part of the mid-year update.

### **Business Planning**

BP led the committee through the slide which showed the strategic objectives and key drivers. BP stated that there were four elements within the business planning process to enable directorates to have the ability to meet targets.

### **Financial Strategy and Objectives**

BP led the Committee through the five principles of the colleges financial strategy and the financial objectives giving an overview of the movement during 2013/14 stating what had risen and what had fallen. The slide also detailed the planned position for 2015/16.

### **Year-to-date Performance**

BP gave an overview of the year to date performance taking the Committee giving a details overview of each slide.

## **KPIs**

BP led the committee through the individual slides giving an overview of the cash in hand, debtors and the operating surplus.

## **Risk Profile**

BP let the committee through the key performance indicators giving an overview of each section

Following the presentation there was a detailed discussion where governors asked several questions about individual areas. CS asked to meet with BP separately to gain a greater understanding

The Chair thanked BP for a very detailed overview of the financial position of the college

**(The following two items were presented after Clive Hill had presented Item 4)**

## **Partnerships**

AD led the committee members through this item. AD stated that the report was an update on the partnerships arrangements previously approved in June 2013. The college is currently contracting with 29 partners, 9 are carry over only or have been put on notice to withdraw the allocations made. Since the report in November the college has implemented new performance management procedures and set up a programme of finance and quality audits with recommendations and actions for each partner. The college has currently an allocated partnership income of over £6m. AD added that detailed discussions have taken place with potential new partners as listed on the documentation who are currently subject to appropriate due diligence. Governors asked a number of questions relating to new and old partners and the income generated through partnerships.

**Approval:** The committee noted the report and the potential new partnerships

## **Funding Changes**

AD presented this item and gave the Committee an overview of the changes to EFA & SFA funding and the methodologies. He stated that the changes have been integrated into the design and delivery methodologies for curriculum. One key impact is the changes to funding for 18 year old students with a possible 17.5% loss in income loss for the college. CS asked what the final impact on the college would be. AD stated that these funding changes will affect some areas of curriculum more than others and the college will have a fuller picture after the SFA allocations in March. Following a detailed discussion the Committee noted the report

AD reminded the Committee that he was presenting a KIT session the following day on the funding changes and the impact on the college.

**Approved:** The Committee noted the report.

## **Item 4 - Property Strategy Update**

Clive Hill joined the meeting to present this item. CH led the Committee members through the Property Strategy detailing the work to be carried out at the Hagley Road Campus. He informed the Committee of the staff moves to create space to be utilised as teaching rooms whilst the remodelling takes place. Work on the second phase at James Watt was due to start on 3 March for approximately 20 months. He stated that £6.9m had been secured from the SFA. CS asked for clarification on what has previous been approved.

CH stated that our bid for a grant to build an annex at the ADC in Brierley Hill to support students with disabilities has been successful with plans being submitted shortly. It is hope that the building will be ready for September 2014.

CH reported that the SFA had approved a capital grant for the Erdington Skills Centre and gave an overview on the next steps.

CH stated that the Harborne Academy was now complete with the exception of some landscaping which will be finished for the official opening of the building by HRH Prince Andrew on 14 March.

CH reported that a project management company would be appointed to prepare to advertise through OJEU for a contractor led scheme.

CH gave an overview of the various sites that have been earmarked for disposal giving a brief description of each site and the possible revenue to be raised from the sales. A detailed discussion took place regarding the advantages of disposing of these sites and whether the best possible costs will be redeemed from each sale.

**Approval:** The Committee noted the report and agreed to recommend the disposal of all sites with the exception of the Riverside site and Leasowes.

**Action:** The Committee requested more information before the Riverside disposal goes ahead to ensure best value and mitigation against any potential deficit when compared to the purchase price.

Clive Hill left the meeting.

#### **Item 5 – Management Accounts to 31 January 2014 for BMET and HA**

BP gave the Committee an overview of the Management Accounts to 31 January 2014 following a detailed discussion the Committee noted the content of the report and the performance of the college to targets.

**Approval:** The Committee noted and approved the report.

#### **Item 6 – Tuition Fees Policy 2014/15**

BP gave the Committee an overview of the Tuition fees policy pointing out the areas of the policy that had been amended. The Committee noted the amendments and recommended that the Tuition Fees Policy be recommended to the Board for approval.

**Approved:** The Committee approved the amendments to the Tuition Fees Policy 2014/15 and agreed to recommend it to the Corporation for final approval.

#### **Item 7 – Financial Regulations 2013/14**

BP presented this item to the Committee and gave an overview of the areas which have been amended to reflect the organisational changes and the additional feedback from Governors.

The Committee noted the amendments and approved the Financial Regulations

**Approved:** The Committee approved the Financial Regulations 2013/14 and agreed to recommend them to the Corporation for final approval.

#### **Item 8 - Any Other Business**

There was no other business.

**Date of Next Meeting: Thursday 19 June 2014**

Signed.....

Date.....19 JUNE 2014