

**Minutes of the Finance Committee held on
Tuesday 29th November 2022 at 9.00am
By Microsoft Teams**

Present	Apologies
Peter Croom (PCR)	
Sir Dexter Hutt (DH)	
Hilary Smyth- Allen (H-SA)	
Pat Carvalho (PC)	
In Attendance	
Simon Eaton (SE)	
Fiona Yardley (FY)	
Stephen Belling (SB)	

Reference	Minute
	Welcome and Apologies
	PCR welcomed everyone to the meeting
	Declarations of Interest
	No further declarations were made in addition to those recorded on the Register of Interests.
Item 1 (i)	Minutes
	The minutes of the meeting on 4 th October 2022 were accepted as a true and accurate record of the meeting.
	IT WAS RESOLVED THAT F22/23: 8 The minutes of the meeting on 4 th October 2022 be approved.
Item 1 (ii)	Matters arising and Action Log
	It was noted that the items listed on the Action log were in progress.
Item 2	Management Accounts for October 2022 and Quarter 1 Reforecast.
	FY summarised the headline points from the October Management Report in the committee pack and emphasised the following: <ul style="list-style-type: none"> • The management accounts reflect the actual position to end of October and take account of factors considered in the Quarter 1 Reforecast . • Forecast income is reduced because of a reduction of £163K by the ESFA arising from late withdrawals during the last academic year. • This year the college attracted an additional 200 learners above allocation. The accounts do not factor in the possibility of any in year payment. • Anticipated income from apprenticeship provision is lesser than expected following an adjustment made to take account of late starts. • AEB income is currently behind budget but ahead the position held in November 2021.

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	<ul style="list-style-type: none"> • Adult Learner Loans are less than expected. This attributed to more learners being eligible for fully funded courses. • The level of Higher Education recruitment is lower than anticipated. • Local Authority and Schools income has increased by £316K • Recruitment that was on hold is now being reviewed in the light of the 16- 18 recruitment figures and will take account of current utilisation rates. • The forecast takes account of the incremental pay awards and an increase to the Real Living Wage. • Non pay costs are to be reviewed on an ongoing basis. • Work is being undertaken with Fellows Associates to factor in the cash flow implications of the FE Capital Works Programme. • A pay award has not yet been factored into the accounts. The viability of making an award as desired by Governors on 11th November in line with the Association of College's recommendation of a 2.5% increase is being considered at each of the milestones identified: clarity of student numbers; possibility of in year funding; and debt structure negotiations. <p>PC advised that many colleges will be reviewing the ability to make a pay award in April 2023 and that awards will vary in accordance with the financial status of a particular college. The Association of College's continue to recommend colleges consider the viability of a 2.5% award.</p> <p>Governors' Observations and Questions</p> <ol style="list-style-type: none"> 1. <i>Is the increase in Local Authority and Schools income a one off? (PCR)</i> <p>SE advised that an element of the increase represents catch up in historical under payments and that moving forward, payments will be based on actual numbers of learners.</p> 2. <i>What impact is the level of reduced AEB income expected to have in Quarters 3 and 4? (PCR)</i> <p>SE advised the level of AEB income is expected to increase as Sector Based Work Academy's (SWAPs) come on stream and in year recruitment continues.</p> 3. <i>Is the expected-out turn relating to AEB in line with the original budget? (PCR)</i> <p>FY confirmed that the expected out- turn is in line with the original budget.</p> 4. <i>What communications have been issued to staff in relation to the possibility of a pay award? (PCR)</i> <p>PC advised: -</p> <ul style="list-style-type: none"> • Staff have been advised that the college wishes to make a pay award but it is dependent on outcomes.

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	<ul style="list-style-type: none"> • Meetings are taking place with the Unions who have sight of the college's management accounts. • There is an understanding that the college is not yet able to make an award and unions are consulting with their membership • The college is looking at what other initiatives it can do to provide practical support such as contributions to the staff Christmas meal, identification of staff discount schemes; and making of advance salary payments in appropriate circumstances where viable. • The next staff bulletin will reiterate that the college is looking to make a pay award and will be reviewing the position in the Spring term. <p>5. What are other local colleges doing? (DH)</p> <p>PC advised that one local college is aiming to offer between 2.5 and 2.75 from September 2022.</p> <p>6. Are pay conditions having an impact on the retention of staff ? (DH)</p> <p>SE advised: -</p> <ul style="list-style-type: none"> • Currently there does not appear to be an impact in relation to curriculum staff. Historically it was understood salaries were favourable to other local providers because of the 35-hour contract. With the lack of recent pay awards this gap is understood to be closing. • An impact is being noted in the business service teams with some staff moving into the private sector. <p>7. It is important that an award is announced as soon as it is viable. (PCR)</p> <p>SE confirmed that the next review point was expected to be in January when the possibility of an in-year funding award had been considered by the ESFA and the level of in year savings could be better assessed.</p> <p>IT WAS RESOLVED THAT F22/23: 9 The October Management Accounts be noted.</p>
Item 3	Fees Policy Review
	<p>SE presented the Fees Policy Report in the Committee Pack and advised that no significant amendments were being proposed and that a further review would be undertaken as and when ESFA and WMCA publish new funding guidance.</p> <p>IT WAS RESOLVED THAT F22/23: 10 The 2023/ 2024 Fees Policy be approved.</p>
Item 4	Gender Pay Gap Report
	<p>AJ presented the Gender Pay Gap Report and confirmed that it meets regulatory requirements.</p> <p>SC advised:</p>

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	<ul style="list-style-type: none"> • This year’s report includes reference to comparisons between full pay employees and hourly paid employees as requested by the Senior Leadership Team in March 2022. • The gap created by the inclusion of temporary staff deployed last year to help with maths provision has been removed. • By comparison to other local providers the gender pay gap at BMet is midrange. • The gender pay gap is created by differences that appear in the lower and median quartiles. <p>PC advised that in the economic circumstances it is exceptionally difficult to achieve further change. The college’s first focus point has been reviewing comparisons in the middle manager range.</p> <p>AJ advised that most of the employment at hourly rates relate to staff engaged to assist with invigilation and activities during the summer period.</p> <p>Governors’ Observations and Questions</p> <p>1. <i>Has the median gap been narrowed? (PCR)</i></p> <p>SC confirmed that the median gap had been narrowed.</p> <p>IT WAS RESOLVED THAT F22/23: 11 The Gender Pay Gap Report be commended to the Corporation for approval.</p>
Item 5	Ethnicity Pay Gap Report
	<p>AJ presented the Ethnicity Pay Gap Report and advised that the methodology used to prepare the Gender Pay Gap report was similar.</p> <p>Governors’ Observations and Questions</p> <p>1. <i>Is BAME the correct terminology to be used as it is no longer used by Government? (PCR)</i></p> <p>PC advised that it was considered to be an acceptable term; the college has a BAME network; that it is the term used and understood internally.</p> <p>IT WAS RESOLVED THAT F22/ 23: 12 The Ethnicity Pay Gap Report be commended to Corporation for approval</p>
Item 6	Matters to report to Corporation
	<ol style="list-style-type: none"> 1. Consideration of the October Management Accounts and Quarter 1 Reforecast 2. Approval of the 2023- 2024 Fees Policy. 3. Commendation of the Gender Pay Gap Report. 4. Commendation of the Ethnicity Pay Gap Report.
Item 7	Any Other Business

	There being no other business the meeting concluded at 9.00 am.
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Signed:  _____

Chair: Peter Croom







2. Finance Committee Minutes - 29 November 2022

Final Audit Report

2023-09-16

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