



**MINUTES OF THE STRATEGY, FINANCE & BUSINESS DEVELOPMENT
COMMITTEE MEETING HELD AT MATTHEW BOULTON CAMPUS ON
THURSDAY 3 DECEMBER 2009 AT 8.30AM**

Present:

Mr D Edmonds (Chair)
Dr C Braddock (Principal)
Mr A Burley (AB)
Mr N Frankland (NF)
Mr T Lipscombe (TL)

In Attendance:

Mr N Davies (Executive Director of Business Development) (ND)
Mr C Hill (Executive Director of Support Services) (CH)
Mr R Minett (Executive Director of HE and International) (RM)
Mr B Pattni (Executive Director of Finance and Data Management) (BP)
Mrs C Bennett (Clerk to the Corporation) (Clerk)

Apologies for Absence:

Apologies were received from Mr S Pearce.

Item 1* - Minutes of the Meeting held on 8 October 2009

The public and confidential minutes of the meeting held on 8 October 2009 were approved.

Matters Arising

The Principal provided an update on the position in relation to the harmonisation of contracts following a meeting with the trade unions only the day before. The suggestion from the Principal was that given that there was no employment committee currently constituted, this issue be scrutinised at this Strategy, Finance and Business Development meeting who would then bring the recommendations to the full corporation meeting. It was agreed that as long as there were no substantial differences to what was discussed at the Strategy & Finance Meeting on 8 October 2009, this was acceptable.

Item 2 – HE / International Strategy

RM led the discussion in relation to this item. RM referred those present to two papers, firstly "HEFCE - Widening Participation Strategic Assessment" and secondly, "Higher Education Strategy 2009 – 2012". RM explained that

funding is received both directly and through franchise arrangements. Until recently colleges could provide HE courses according to their own priorities and have not been constrained except in relation to student numbers. However, HEFCE now require colleges to produce a "Higher Education Strategy" and that this strategy be endorsed by the Corporation and submitted by 11 January 2010.

NF asked whether this would expose the College financially and RM confirmed that this would only occur if the strategy was not approved and put in place on time.

A general discussion also took place about the introduction of some courses but the withdrawal of others and the need to keep up with employers' needs for instance providing courses relating to for example environmental and digital matters.

Resolved:

- (i) to endorse the strategic aims and objectives for Higher Education provision within the College (as set out in more detail on pp.7 – 9 of the paper entitled "HEFCE – Widening Participation Strategic Assessment");
- (ii) to endorse the provision of courses and planned developments outlined in the attached document.

In terms of International strategy, RM referred those present to a summary of the numbers and current income of international students. RM explained that the Prime Minister has called for a review of the Tier 4 system as it applies to sub-degree students. The AoC put forward the College's views at a recent conference to Lord Mandelson. Feedback on this should be received mid-December 2009.

RM explained that the College had undergone an inspection visit and an audit by the UK Border Agency. The College will only be contacted if there are issues and the outcome is confidential. Management recommend that firstly, the HR department maintains checks for all employees with regard to their right to work and secondly the HR department seeks written assurance from managed services/sub-contractors that they are UKBA compliant.

Item 3 – Confidential Paper

Item 4 – Strategic Academy Proposal

This item was presented by CH who explained that the College is proposing to develop a suite of Academies to support its drive for excellence. CH explained that there are two types of Academies – skills (employer-led) and schools (publicly funded). The College is already in partnership with a

number of skills Academies but has now been approached by the Department for Children, Family and Schools to sponsor a Birmingham School Academy at a current co-educational school. CH explained that at the present time, the name of the school was confidential but CH added that if negotiations were successful and the College sponsored this particular school, the school would move to academy status (in health and sciences) and it would be an important addition to the College's portfolio.

A general discussion took place with regard to the risks and advantages to the College sponsoring the school in question in particular the level and commitment of sponsorship as well as whether there was a risk that the College would have to meet the costs of the school's new build if the "Schools For the Future" fund did not. Management provided satisfactory responses. It was also made clear by management that the approach to sponsor the school had come directly from the Department for Children, Family and Schools and not the school itself.

A further discussion followed in terms of the College's strategic academy proposal going forward.

Resolved:

- (i) to approve the College's Academy Strategy;
- (ii) to endorse the development of Academies "badged" to specific National Skills Academies;
- (iii) to approve the designation of specific curriculum areas as Academies; and
- (iv) to endorse the pursuant progress of the sponsorship of a Birmingham School Academy.

Item 5 – Capital Strategy Proposal

This item was presented by CH. CH updated the committee on the recent capital investments and led the discussion relating to the next stage of the proposed investments over the next academic year.

Whilst discussing this area, a general discussion arose in relation to the issue that had been in the recent press relating to the removal of a disabled kitchen area. The Principal explained that there had been good reason for it and the intention was always to relocate it in the future. However, the kitchen area had been refitted back in its original place as a result of the complaint that arose and because the new kitchen could not be fitted any time soon. A general discussion then took place about the image that the College was receiving in the local Sutton press, the outcome of which was that BP would have a meeting with John Griffiths, BP's contact at the Sutton Observer.

In terms of the additional investment being requested, the Principal explained to those present that it is not that the money will be spent but management wanted committee approval that it could be spent in the manner that previously approved funds had been spent.

Resolved:

- (i) to approve the continued development of the Estate in line with the proposals outlined;
- (ii) to approve further investment in IT and Capital equipment resources to support all areas of the curriculum;
- (iii) to approve up to an additional £1.5m of capital expenditure within the current financial year to support Estates, IT and Equipment investment.

Item 6 – BIS Skills and Strategy Paper

This item was for noting only and would be revisited in the future.

Item 7 – Management Accounts for the three months to 31 October 2009

BP presented this item, the main points being that the College is in surplus for the month and year to date. However, due to the LSC funding cuts expected in 2010-2011, the College has decided to remain prudent with the allocation of pay and non-pay budgets for 2009-10. BP then led those present through his report and related accounts.

The overall conclusion from BP's report was that the College continues to improve its financial health but will need to improve on a number of income and expenditure streams to achieve the revised surplus forecast.

During his presentation, BP mentioned that he had been approached by a lender with whom the College had a loan as to whether or not the College wished to redeem the small loan it had with the lender. After a detailed discussion, it was decided that the loan would not be redeemed at present as the relationship with the bank and for credit scoring purposes going forward, it was probably better to keep the loan as it is.

The committee agreed that the College had been managed very well financially and congratulated management for this.

At this point NF left the meeting.

Item 8 – Financial Statements for the Year Ending 31-07-09 for MBC/SCC

BP led those present through the Financial Statements for both MBC and SCC which led to a discussion on various aspects. It was noted that both sets

of accounts were very pleasing and had created a stepping stone for the College going forward.

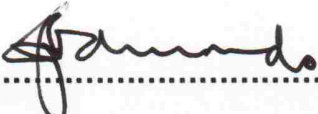
BP stated that there were some amendments to the presentation of the accounts but not the actual figures and the final version would be produced for the Corporation meeting taking place on 16 December 2009.

Resolved:

The Corporation to approve the accounts for the year ending 31-07-09 for MBC and SCC at the Corporation meeting on 16 December 2009.

There was no other business.

The meeting ended at 10.50am

Signed..........Chairman

Date.....4 February 2010.....