

Minutes of the Finance Committee
held on Tuesday 12th March 2024 at 8.00 am
By Microsoft Teams

Present	Apologies
Peter Croom (PCR)	
Gary Turton (GT)	
Pat Carvalho (PC)	
Hilary Smyth- Allen (HSA)	
Sir Dexter Hutt (DH)	
In Attendance	
Fiona Yardley (FY) (Part)	
Anna Jackson (AJa)	
Andrew Crowter (AC) (For Agenda Item 5)	
Jason Allen (JA) (For Agena Item 6)	
Stephen Belling (SB)	

Reference	Minute
	Welcome and Apologies.
	Declarations of Interest
	No further declarations were made in addition to those recorded on the Register of Interests.
Item 1 (i)	Minutes.
	<p>The minutes of the meeting on 28th November 2023 and 20th February 2024 were reviewed.</p> <p>IT WAS RESOLVED THAT</p> <p>F23/24: 13 Subject to the amendment of typographical amendments, the minutes of the meeting on 28th November 2023 be approved.</p> <p>F23/24: 14 The minutes of the meeting on 20th February 2024 be approved.</p>
Item 1 (ii)	Matters arising and Action Log.
	There were no matters arising or actions requiring review in this meeting.
Item 2	LSIF Update and Innovate UK
	<p>PC gave a presentation on the Local Skills and Innovation Fund and programme of work with Innovate UK and emphasised the following points:</p> <ul style="list-style-type: none"> • The work programme is supported by the Department for Education and the West Midlands Combined Authority. • The plan involves 6 work streams looking at either new technologies or promotion of existing technologies with a particular focus on supporting SMEs

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	<ul style="list-style-type: none"> • Support is provided to local communities to help them access opportunities including access to lap tops and transport to attend courses. • There is a strong focus on cyber security and dental technology. • The grant funding has helped us to implement the college's digital strategy including the establishment of 3 immersive rooms. • The work with Innovate UK has been received well by other colleges and involves a joined- up brand that can be used by the FE sector in the region. • The overall aim is to address key outcomes from Local Skills and Improvement Plan and address the negative experiences of SMEs. • Further work is being done to review how this work can be sustained on a longer- term basis. • All grant funded work is on track to be completed by the end of March 2024. <p>Governors' observations and Questions</p> <p>1. Are the agreed outcomes and outputs being met? (HSA)</p> <p>PC confirmed that all agreed outcomes and outputs were being met.</p> <p>IT WAS RESOLVED THAT F23/24:15 The content of the LSIF and Innovate Update reports be noted.</p>
Item 3	Management Accounts for January 2024
	<p>FY summarised the headline points from the January Management Accounts Report in the committee pack and emphasised the following:</p> <ul style="list-style-type: none"> • The overall financial position is favourable. • The income forecast with WMCA is in line with contract value. • A data cleanse exercise is being undertaken to review the position relating to ALS activity. • Additional actions are being taken to deliver ESFA AEB income levels. • The mix of apprenticeships differs to the that envisaged in the original budget plan; few apprentices have been secure but their associated provision relates to higher than budgeted funding levels. • The expectation is that Catch Up fund contract value will be achieved. • Pay costs are comparable with 2022-2023 and take account of the approved pay rise. • ESFA clawback is less than anticipated.

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	<ul style="list-style-type: none"> • A Green deposit account has been opened with Barclays to maximise investment income. • Agency spend has increased because of need to address roles not recruited to and actions are in progress to ensure the costs do not continue into the new academic year. • Cash flow in relation to the Capital Work Programme is being undertaken monthly rather than a quarterly to ensure full use of the contingency funding and grant expenditure. • T – Level works at JW are complete • Use of HTQ capital funding is being reviewed to ensure no full expenditure. • The recently appointed Finance Director has not passed his probation, <ul style="list-style-type: none"> a. a new recruitment process had commenced. b. Temporary support will commence on 18th March. c. The FE Commissioner Team has offered to support the Finance Director with the CFFR process. <p>Governors' Observations and Questions</p> <p>1. How was the favourable element of pay costs generated? (PCR)</p> <p>FY advised the favourable costs position was created by the combination of vacancies and focus on maximising utilisation.</p> <p>2. Is the majority of savings generated from unfilled vacancies PCR?</p> <p>FY confirmed that the majority of savings were generated from unfilled vacancies.</p> <p>3. What does the increase in agency costs involve ? (DH)</p> <p>FY advised current agency costs related to approximately 20 posts deemed critical to organisational delivery.</p> <p>4. When are these vacancies likely to be filled? (DH)</p> <p>A Ja advised that some strong applications had been submitted and interviews were scheduled.</p> <p>PC advised that the college had noted an improved quality of applications following the new Ofsted grading but it was important to note that recruitment in some areas was difficult as remuneration was significantly greater in industry.</p> <p>5. Is Birmingham City Council's financial circumstances affecting the college in any way? (GT)</p> <p>PC advised:</p> <ul style="list-style-type: none"> • Funding for the current year has not changed. • The full future impact of cuts to the education department is unknown.

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	<ul style="list-style-type: none"> • The only funding received directly from the Council relates to statutory responsibilities. The Council is reviewing how those duties are interpreted for post 16 support. • The unknown is the impact of cuts on support provided to students direct e.g. virtual schooling. • The college will also have to review the criteria for bursaries and what further support can be provided to parents. <p>IT WAS RESOLVED THAT F23/24:16 The January Management Accounts be noted.</p>
Item 4	KPI Report
	<p>FY introduced the KPI report in the Committee pack and emphasised how the following issues arising from the report were being addressed</p> <ul style="list-style-type: none"> • In relation to the acceptance of offers for 16-18 programmes, the position is being monitored closely, a further marketing campaign has been commissioned using social media channels and a review of progression plans is taking place to optimise retention. • Additional open evenings and events are being arranged to focus on WMCA funded programmes. <p><i>Governors' questions and observations</i></p> <p>1. What may be causing the lower number of applications? (DH)</p> <p>PC advised:</p> <ul style="list-style-type: none"> • The lower numbers reflect the impact of increased local competition, confusion about the impact of Level 3 reforms and T levels. • The position is changing on a regular basis. • Enrolments are being arranged on open days. • We anticipate there will be an increased number of applications in August and September after exam results have been published and will be prepared to address them. <p>IT WAS RESOLVED THAT F23/24: 17 The content of the KPI report be noted and commended to Corporation for approval.</p>
Item 5	FECTF Project

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	<p>AC presented the report in the Committee Pack and emphasised the following: -</p> <p>Re Sutton</p> <ul style="list-style-type: none"> • Roof and window work progressing • Work being done with the timetabling team to minimise interruption to student work. • Class relocations where required are being advertised each week to optimise awareness. • Snagging issues being addressed e.g. flooring on stair cases. <p>Re JW</p> <ul style="list-style-type: none"> • The Blackstone building roof has been recovered and corridors are now free from leaks; the complete building has been redecorated and recarpeted. • The ongoing risk of asbestos is being managed. • Use of the holiday periods for carrying out disruptive works is being maximised. <ul style="list-style-type: none"> • Work is all financially on track. • The MB works now have a zero account. • A zero account is expected soon at Sutton. • The JW work will be dependent on what is discovered when during the window replacement programme. • A contingency works programme is in place to utilise any unspent contingency funding. <ul style="list-style-type: none"> • Health and Safety requirements are being met and a good Operations and maintenance is being manual being produced to maintain facilities when works are complete. <ul style="list-style-type: none"> • Social value work is being undertaken with students assisting with the decoration works and taking part in bespoke class room sessions about worksite behaviours. • Class room sessions being undertaken re expectations on work site. • Initial window testing has not revealed any asbestos but the situation has to be kept under constant review during the life of the contract. <p>Governors' Observations and Questions</p> <p>1. What works might be undertaken with any contingency funding? (PCR)</p> <p>AC advised works that could be undertaken include: -</p> <ul style="list-style-type: none"> • mechanical and electrical works that could improve heating levels in the James Watt entrance area and offices at the rear of the canteen; and • Further LED internal and external lighting at James Watt <p>2. It is a significant achievement to be on track and within budget; how has this been achieved? (GT)</p> <p>AC advised project management has needed significant time input and involved monthly project meetings.</p>

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	<p>3. <i>Can the existence of asbestos be determined any faster? (GT)</i></p> <p>AC advised that everything viable at each stage of the project has been done.</p> <p>Before works commenced it was necessary to have an asbestos survey and management plan which covered everything that could be reviewed “ without intrusion”</p> <p>When intrusive works begin an additional survey has to be completed. It cannot be done in advance.</p> <p>4. <i>Will the Department for the Environment allow approve works undertaken with any contingency funding? (GT)</i></p> <p>AC advised funding can be applied to different works on a particular campus that fulfil the intended purpose which is improvement of the site. Funding for one campus cannot be used for work on another without express DFE approval.</p> <p>5. <i>How will staff and students be protected whilst this work takes place? (GT)</i></p> <p>AC advised that a comprehensive management plan is put in place and involves rooms sealed, a vacuum being created and asbestos being drawn into that sealed room. Air tests are then undertaken and a certificate of safety is required before the room can be re-opened.</p> <p>IT WAS RESOLVED THAT F23/24: 18</p> <p>The content of the FECTF project report and progress made with implementing the contracts be noted.</p>
Item 6	Inclusive Sports Centre
	<p>Aja introduced the Inclusive Sports Centre update report in the Committee Pack and emphasised how : -</p> <ul style="list-style-type: none"> • The current proposals had built on feedback from Governors to the initial proposals at their strategy day in May 2023 • The Key elements in the current proposals were support growth plans for SEN students across all three college sites, regional m, national and international competitions, the ability to accommodate spectators and space for education, training and sport. <p>JA advised:</p> <ul style="list-style-type: none"> • Consultation had taken place with a wide range of sporting bodies to inform design plans for a range of sports and competitors with varying abilities. • A funding prospectus was in the process of being developed. • An initial launch was planned for 9th May 2024. <p>PC advised that Department for Education Consent for the proposal would be sought to ensure compliance with the Managing Public Money Regulations.</p>

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	<p>Governors Observations and Questions</p> <p>1. <i>What are the timescales for build and occupation ?(GT)</i></p> <p>Aja advised the current aim was to secure funding within 18 months and undertake the build within an 18 month period after that.</p> <p>2. <i>Is whole funding anticipated (PCR)</i></p> <p>PC advised that the approach is to see what funding can be secured from the initial launch events and exploration of conventional funding streams associated with the focus, growth in SEN learner numbers and outcome of the decisions regarding location of the 2027 Invictus Games. Once that information is known, a next steps strategy will be developed to identify sources for any remaining need.</p> <p>Aja advised that Sutton Charitable Trust had confirmed the proposals matched their funding criteria and that they would be willing to consider an application from the college.</p> <p>3. <i>Is philanthropic support possible? (DH)</i></p> <p>PC advised philanthropic support would be explored.</p> <p>IT WAS RESOLVED THAT F23/24: 19 The content of the Inclusive Sport Centre report and associated presentation be noted.</p>
Item 7	Harborne Academy
	<p>SB presented the Harborne Academy Update Report in the Committee pack advising of the position following the academy’s external governance review and awaiting of feedback from the Department of Education for changes to their Memorandum and Articles of Association.</p> <p>IT WAS RESOLVED THAT F23/24: 20 The content of the update report be noted.</p>
Item 8	Anti Bribery Policy
	<p>FY presented the report in the Committee Pack recommending the Anti Bribery Policy be amended to incorporate the fourth Bribery Act offence.</p> <p>Governor’s Observations and Questions</p> <p>1. <i>Do the amendments address issues that might arise from the Economic Crime legislation ? (PCR)</i></p> <p>FY advised the point would be verified.</p> <p>IT WAS RESOLVED F23/24: 21 Subject to verification of the position regarding the Economic Crime Act the policy be commended to Corporation for approval.</p>

Reference	Minute
Item 9	Managing Public Money (“MPM”) Review
	<p>FY advised :</p> <ul style="list-style-type: none"> • The MPM FE Handbook had not yet been published. • None of transactions considered in this committee meeting required reporting under the MPM regulations.
Item 10	Matters to report to Corporation
	<ol style="list-style-type: none"> 1. Acceptability of the January Management Accounts. 2. Proposed Anti Bribery Policy 3. General Report on Finance Committee Business.
Item 11	Any Other Business
	There being no other business the meeting concluded at 9.30 am

Signed: Peter Croom