

**MINUTES OF THE MEETING OF  
THE FINANCE, RESOURCES AND INVESTMENT COMMITTEE  
HELD VIA MICROSOFT TEAMS AT 5.30PM ON WEDNESDAY 25 MAY  
2022**

**Present:** Mr D Langton (Chair)  
Dr A Birkinshaw  
Mr E Drake  
Mr G Dixon (Vice-Principal Finance and Resources)  
Mrs H Kerrick  
Mx L Johnson (Principal and CEO)

**In attendance:** Mrs J Matthews (Director of Governance)  
Dr S Morton

**ACTION**

		<b>ACTION</b>
	<b>APOLOGIES FOR ABSENCE</b>	
M21/100	There were no apologies for absence.	
	<b>DECLARATIONS OF INTEREST</b>	
M21/101	Mr Drake declared an interest in relation to 4Cast software.	
	<b>FINANCE</b>	
	<b>April Management Accounts</b>	
M21/102	The Vice-Principal (Finance and Resources) presented the April management accounts and members noted that financial health remained good and cash was strong at 48 days.	
M21/103	A Governor challenged whether the implications of the high staff turnover, in terms of increased agency costs had been reflected in the management accounts, and the Vice-Principal (Finance and Resources) reported that it was, with agency costs totalling £201k in the year to date. There had also been some significant expenditure covering interim roles such as the Head of Tyro and MIS Manager.	
M21/104	A question was asked about whether information on contribution by type of study could also be made available so that Governors could understand the more and less profitable areas. It was suggested that it would be helpful to cut costs in different ways so that Governors had visibility of where costs were and what actions were needed, although it was recognised that contribution could be calculated in a number of different ways and was further complicated where there were mixed groups of 16-18 year olds and adults.	
M21/105	It was reported that the FEC was undertaking some work on curriculum efficiency and best practice and Mr Drake offered to discuss that further with the Vice-Principal (Finance and Resources). It was also reported that the AoC had previously undertaken a large scale study and it would be helpful to explore if information from that was available.	<b>E Drake/VP F&amp;R VP F&amp;R</b>
M21/106	It was suggested that it would be helpful to review the original budget against the control budget and year end outturn to establish how accurate budgeting had been and the Vice-Principal (Finance and Resources) confirmed that could be undertaken.	<b>VP F&amp;R</b>
	<b>Budget 2022-23</b>	
M21/107	The Vice-Principal (Finance and Resources) reported that there was a big focus on EBITDA in the budget, which was showing a £1M increase in income, with a corresponding increase in payroll costs of £375-400k. It was reported that there was provision of £200k within that for a pay review.	

M21/108	<p>Governors challenged what was included in the £200k set aside for the pay review and whether it included a pay award plus any increments due, and it was confirmed that it did. Members emphasised that it was important to achieve a percentage pay award and that the amount set aside for a pay award should not be eaten into through payment of increments or pay harmonisation. The Committee requested that the pay award be built in and preserved, and that there was clarity about what was included in the figure set aside. It was requested that options be presented to the Committee at its next meeting along with suggestions about how any gap might be bridged, so that a decision could be made about what was affordable.</p>	VP F&R
M21/109	<p>The Vice-Principal (Finance and Resources) reported that energy costs would increase by £100k after December if the College had to move to the variable rate, and work was taking place to get the best price.</p>	
M21/110	<p>It was suggested that curriculum costing be revisited as the harmonisation of curriculum planning and budgeting was important, and it was worth discussing the process in advance so that they were aligned. It was emphasised that this was something the College should seek to move towards and it was agreed that it would be helpful for the Vice-Principal (Finance and Resources) to discuss it further with Mr Drake.</p>	VP F&R/E Drake
M21/111	<p><b>INTRODUCTION TO METRICS</b></p> <p>The Vice-Principal (Finance and Resources) gave a presentation on key metrics and the following points were discussed:</p> <ul style="list-style-type: none"> <li>• How was double staffing and technician support identified? All staff were on the timetable and double staffing could only occur if the member of staff was not on the timetable.</li> <li>• When is a learner counted? They are counted on an ongoing basis so the average class size was declining through the year. It seemed unlikely that other colleges were doing this, which would make comparisons externally difficult, and it would be more appropriate to use funded learners at day 42 as a starting point. Managers also needed to ensure their timetables were accurate and that average class sizes were maximised at all times.</li> <li>• The correlation between metrics needed to be clear so that any inconsistencies could be identified.</li> <li>• It was important to calculate staff utilisation at curriculum planning stage to avoid underutilisation. Since some curriculum areas had underutilised staff but high agency costs, it indicated that staff utilisation was not being proactively managed. There was capacity to save money by ensuring staff were fully utilised before employing agency staff and steps should be taken to ensure underutilised staff were used for cover or teaching elsewhere. This should all be considered when discussing the budget to identify any gaps and it would be checked to see if a full view of staff utilisation could be available by the time of the budget.</li> </ul>	VP F&R
M21/112	<p><b>DATE OF NEXT MEETING</b></p> <p>It was noted that the next meeting was due to be held on Wednesday 29<sup>th</sup> June and it was agreed to move the start time to 6.30pm.</p> <p><b>The meeting closed at 6.35pm</b></p>	Principal VP F&R