

**City College, Birmingham Corporation**

**Finance and General Purpose Committee Meeting  
Tuesday 17<sup>th</sup> February 2009, 5.30 pm  
at  
North West Skills Academy  
in room 3&4**

**Present:** Mr Roger Buncombe – Independent member  
Mr Henry Coore – Independent member  
Mr Mike Crump (Chair) – Independent member  
Ms Liz Furey – Independent member  
Mr David Gibson – Interim Principal

**In Attendance:** Mrs Debbie Cole – Clerk to the Corporation  
Mrs Tracy Everett – Governance Administrator  
Mr Phil Forrest – Director of Property  
Mr Anthony Gribben – Director of Planning & Information  
Ms Ranjna Parmar – Director of Human Resources  
Mr Peter Ryley – Interim Director of Finance

1. Appointment of Chair

01.09FG Mr Coore nominated Mr Crump for the Chair. This was seconded by Mr Buncombe. Mr Crump agreed to take on the role of the Chair of the Finance and General Purposes Committee.

02.09FG **Resolution: members unanimously agreed that Mr Crump be appointed as Chair of the Finance and General Purposes Committee.**

03.09FG Mr Crump took the Chair.

2. Declaration of Interests

04.09FG The Chair asked if anyone wished to declare an interest. The following governors declared interests in relation to the following:

Mr Buncombe – Lambert Smith Hampton, his employer.  
Mr Coore – South Birmingham College (SBC), Governor  
Mr Crump – Birmingham City University, his employer  
Ms Furey – Aston University, her employer

3. Apologies

05.09FG Apologies were received from Ms Jeynes, Ms Quirke and Ms Mochan.

4. Minutes of the Finance and General Purposes Committee meeting held on 2<sup>nd</sup> December 2008

06.09FG The minutes were agreed as a true and accurate record of the meeting.

07.09FG **Resolution: members unanimously agreed to approve the minutes of the Finance and General Purposes Committee meeting held on 2<sup>nd</sup> December 2008 contained in paper 1.**

5. Matters arising from the minutes

08.09FG There were no matters arising.

6. Finance and General Purposes Action List as at 17<sup>th</sup> February 2009

09.09FG The Clerk guided members through the action list.

10.09FG Minute No: 287.08FG – College Fee Policy: Comparison with other Colleges – The Director of Planning and Information informed members that some work had been done in line with the plan. Detailed work is scheduled to take place in March with a completion in April. Retain on action list.

11.09FG Minute No: 304.08FG – Operating Review and Financial Statements for year ended 31<sup>st</sup> July 2008. Members sent their feedback to the Clerk and the final version was presented to Corporation on 16<sup>th</sup> December 2008. This item can now be removed from the action list.

12.09FG Minute No: 313.08FG – Marketing Report – The Vice Principal Curriculum Development informed members that members of the North West Skills Academy Partnership Board had been kept informed of the official opening of the centre and had all been invited to the opening on 23<sup>rd</sup> February 2009. This item is now complete and can be removed from the action list.

13.09FG **Resolution: members unanimously agreed to receive and monitor the Finance and General Purposes Action List as at 17<sup>th</sup> February 2009 contained in paper 2.**

## **Finance**

7. Finance and Funding Report (to include LSC Income and Enrolment Update, Management Accounts, Franchise & Partnerships and Funded Projects)

14.09FG The Interim Director of Finance apologised to members as the report was still not available. The official deadline for the finalisation of the accounts is 15 working days. These will however be available for Corporation.

15.09FG The Chair reminded officers that members do not like tabled papers as they need time to read and digest them. Tabled papers have to be the exception and can only be presented after consultation with the Clerk to the Corporation. They accepted due to the 15 day deadline that it is not always possible to get this report out to members prior to the meeting. **Action.**

16.09FG The Chair of the Corporation reminded members and staff that he had always been opposed to tabled papers and would continue with this stance.

## 8. International Student Fees 2009/2010

- 17.09FG The Interim Director of Finance informed members that the college was keeping international fees at this level for next year and has set a higher target for the sales team. Recruitment of international students for 2008/9 is better than budget, delivering 45 students and fees of £178,500 against a target of £122,400. However, in the current economic climate, the advice from the International department is that an increase in fees for next year, 2009/10, is likely to lead to a decrease in new student numbers. At an average fee in 2008/9 of £4,000 per annum an increase of 5% to £4,200 per annum would generate £9,000 extra from a similar number of students, but a reduction in recruitment of only 2 students would almost eliminate that gain. SMT would therefore like to request that F&GP recommend to Corporation approval of the maintenance of fees for international students in 2009/10 at the same values as in 2008/09.
- 18.09FG Governors asked what the national benchmark was. The Interim Director of Finance informed members that comparisons had been undertaken and the college is at the lower end of the market.
- 19.09FG The Chair of the Corporation stated that this was a vital area but the college needs to market much better and constantly review to look at what benefits there are for the college.
- 20.09FG The Chair requested that future papers include benchmarks. The Interim Director of Finance agreed to do this. **Action.**
- 21.09FG Governors asked if there were any threats regarding volume due to the situation around visas. The Interim Director of Finance stated that this year it appears the College has overcome difficulties. We set a modest target and achieved well over the target. We see no reasons why there would be further difficulties.
- 22.09FG The Chair of the Corporation stated that the board of control is much tighter than use to be with regard to visas.
- 23.09FG Governors wondered with the current climate whether numbers will drop anyway. The Interim Director of Finance stated it was a possibility. Certainly when we set the budget for next year doubt we will be putting in any grossly over optimistic figures. He stated that the International Student Co-ordinator was confident that the college can achieve the same volume and possibly slightly higher. The Interim Principal informed members that this paper was specifically about fees but we do need to look at the international plan.
- 24.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the maintenance of fees for International Students in 2009/2010 at the same value as in 2008/2009 contained in paper 4.**

9. Photocopying Contract

25.09FG The Director of Planning and Information guided members through the report. The current contract has been extended. We are now ready to go out to tender for a new contract from 1<sup>st</sup> August 2009.

26.09FG The Chair of the Corporation asked why this was the responsibility of the Director of Planning and Information as this had previously come under the Director of Property. The Director of Planning and Information informed members that he was responsible for IT who report to him. Photocopying will become part of the IT infrastructure as we are moving away from desk top printers.

27.09FG **Resolution: members unanimously agreed to approve the issue of an invitation to tender for photocopying and printing services for a period of 3 years from 1<sup>st</sup> August 2009 (1<sup>st</sup> May 2009 for Fordrough Campus). The successful tender being recommended for approval at a future meeting.**

**Estates**

10. Report from the Director of Property including Space Utilisation (e-Mandate)

28.09FG The Director of Property drew members' attention to the premises budget to date and updated regarding e-mandate.

29.09FG One Governor asked if the landlords have confirmed they are dropping the action with regard to Kings Heath Learn IT or whether they have just kept quiet. The Director of Property confirmed that there had been no communication from them. They threatened to take the College to court over dilapidations which never materialised. The new tenant has now moved in so this is less likely.

30.09FG Governors asked when the last correspondence was from the landlords. The Director of Property confirmed it was in October 2008.

31.09FG The Chair stated that he presumed that the College had obviously taken legal advice. The Director of Property confirmed that the College had taken legal advice. The College would have been happy to take them to court but it would not have been cost effective and there is always a danger that you could lose.

32.09FG One Governor stated that landlords will always try it on and state that they have made a loss but if there is a new tenant then they haven't made a loss. It is not uncommon. The Interim Principal confirmed that the landlords were stating that they had made a loss when in fact they had already got a new tenant. The Interim Principal informed members that the landlords were accusing the college of causing a loss when they had already got a new tenant so it was pretty obvious that they were playing the game.

- 33.09FG The Chair asked if the room utilisation audit was now complete and what happens with the information. The Director of Property confirmed that it was complete and when the report is compiled it will go to SMT and also be submitted to this committee in May 2009.
- 34.09FG The Interim Principal stated that once Fordrough is on line and know what is happening there we can see where we are going with regard to e-mandate. Moving out of leased property has saved the College quite a bit.
- 35.09FG One Governor asked for an update on Appendix B with regard to the sale of Garretts Green site. The Director of Property informed members that a QC has been appointed and within 2 weeks MarCity should have his view as to whether an appeal is sensible, and then we will have to look at where we are. The College has a meeting with LSC on 24<sup>th</sup> February 2009 and hopefully will get some feedback from them as well as to the way forward.
- 36.09FG The Interim Principal informed members that the College has just completed a questionnaire for LSC regarding capital. This is highly political and it is going to be hard to guess what happens.
- 37.09FG One Governor informed members that as part of his job he had been looking at other schemes and prices have just plummeted so this situation did not surprise him. The timing for the sale of the Garretts Green building was not the most appropriate. He asked if it was possible to mothball the site. The Interim Principal stated that the College had been doing some research into this situation and rather than take a ridiculous price we may wish to do exactly that.
- 38.09FG **Resolution: members unanimously agreed to receive the Report from the Director of Property contained in paper 6.**

#### 11. Health and Safety Manager's Report

- 39.09FG The Director of Human Resources drew members' attention to the number of accidents. This time last year they were reported as quite low. There has been an increase but does not appear to be a trend. We believe the increase in reporting is due to the increase in training for managers.
- 40.09FG The Chair asked for clarification as to the types of accidents reported. The Director of Human Resources informed members that they are minor accidents i.e. trips and slips.
- 41.09FG The Chair asked if there was any benchmarking data. The Director of Human Resources informed members that the Safety Manager was part of a national forum and has already asked for that information but the forum didn't appear to look at accident stats. Appropriate Benchmark data to be included in future reports when it becomes available. **Action.**
- 42.09FG **Resolution: members unanimously agreed to receive and monitor the Health and Safety Manager's Report contained in paper 7.**

12. Minutes of the Safety Committee meeting held on 8<sup>th</sup> December 2008

43.09FG The Interim Principal guided members through the minutes. He reminded members that the Chair of the Corporation attends safety meetings. He stated that staff are quite conscientious and the College has a good health and safety committee.

44.09FG **Resolution: members unanimously agreed to note the minutes of the Safety Committee meeting held on 8<sup>th</sup> December 2008 contained in paper 8.**

**Personnel**

13. Human Resources Report – Update

45.09FG The Director of Human Resources guided members through the report. She explained that performance management was a key area identified for improvement in the inspection. There are still a number of outstanding Staff Performance and Development Reviews (SPDR) which could not be finalised due to bad weather. Therefore the deadline was extended. The College are also doing some quality checks on the returned forms.

46.09FG The Chair asked if there was a risk by giving staff another week to complete the reviews that the quality may drop. The Interim Principal informed members that the College did not think this was a risk. However, what is a risk is this will inevitably be a line of questioning by Ofsted inspectors.

47.09FG The Director of Human Resources updated members' with regard to formal proceedings. She explained that the College had been issued with a loss of earnings. Our solicitor's tells us this is lower than expected. They are putting together what we would incur if we lose the tribunal. We can then make an informed decision.

48.09FG The Director of Human Resources informed members that as a result of reviewing equality and diversity the college is currently working with an external consultant in setting up a system to ensure all relevant policies and procedures have had an equality impact assessment. The consultant is also supporting managers in ensuring that relevant policies and procedures are prioritised and impact assessed by the end of February 2009. The terms of reference and membership of the Diversity Group have also been reviewed and updated to ensure the Group is pro-active, productive and make a difference to student success. We are now in a position to revise and update the College's Equal Opportunities Policy and the Equality Scheme for the end of February.

49.09FG The Chair of the Corporation stated he was pleased to see that the College was initiating disciplinary proceedings with regard to non compliance regarding incomplete registers.

50.09FG **Resolution: members unanimously agreed to receive the Human Resources Report – Update contained in paper 9.**

## 14. Policies

### 14.1 Recruitment and Selection Policy – (including the Equality Impact Assessment)

- 51.09FG The Director of Human Resources informed members that this policy has been revised taking into account best practice any changes to employment legislation. The policy has been consulted upon with managers, staff and unions. The College has also sought legal advice to ensure the policy and procedure complies with legal requirements. As part of the College's equality impact assessment process, an assessment has been undertaken for this policy and procedure.
- 52.09FG The Chair observed in terms of probation that people have also made themselves credible for the role. The Director of Human Resources informed members that when appointments are made staff are appointed to a specified criteria.
- 53.09FG The Chair of the Corporation commented that his preference was to have a code of practice for recruitment and selection. Some staff may follow policy but very loosely. The Director of Human Resources stated that there is a large list of procedures that supports the policy which in effect is the code. They are quite a robust set of procedures.
- 54.09FG The Chair of the Corporation stated that sometime ago the College started a process of exit monitoring. He reminded members that exit monitoring is essential. The Director of Human Resources informed members that the College does have a process for exit monitoring. We try to do face to face exits rather than a form to complete as it results in more accurate data. This year there has been a bit of difficulty, but this has been an exceptional year. She stated that she would include an exit monitoring summary in the next report. **Action.** She informed members that this Annual Personnel Report is being presented to Corporation next week.
- 55.09FG The Interim Principal informed members that the equality impact assessment is the first that they will have seen. This will be considered as good practice and governors may get questioned about them during the inspection. He thanked the Director of Human Resources for leading on the implementation of the equality impact assessments.
- 56.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the Recruitment and Selection Policy contained in paper 10.**

### 14.2 Probationary Policy

- 57.09FG The Director of Human Resources informed members that this was a new policy. A lot of training has taken place. There is a robust set of procedures and a robust probationary form which takes on a number of issues.
- 58.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the Probationary Policy contained in paper 11.**

#### 14.3 Freedom of Information Act – Publication Scheme – Updated

59.09FG The Director of Planning and Information informed members that the College is required to have a publication scheme by law. The updated scheme presented is in line with Corporation timescales for review but also a revised exemplar has been issued, which we have followed.

60.09FG The Chair asked how many requests the College gets under the Freedom of Information Act. The Director of Planning and Information informed members between none and not many. Occasionally we get a phone call which isn't taken further once individuals realise that there can be a charge initial requests don't always go any further.

61.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the updated Freedom of Information Act – Publication Scheme contained in paper 12.**

#### 14.4 Data Protection Policy – Updated

62.09FG The Director of Planning and Information informed members that the policy had been updated in line with Corporation timescales. He drew members' attention to section 13 which states that the Director of Planning and Information is the designated data controller and the Clerk to the Corporation is the deputy to the designated data controller.

63.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the updated Data Protection Policy contained in paper 13.**

#### 14.4 Expenses and Benefits Policy - Updated

64.09FG The Interim Director of Finance informed members that this policy had been updated due to restructuring and changes in job titles and CLT which is now SMT.

65.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the updated Expenses and Benefits Policy contained in paper 14.**

### 15. Any other business

#### 15.1 Tender Return – Classroom Furniture Fordrough

66.09FG The Director of Property guided members through the report. In order to ensure compliance with European directives on the procurement of goods and services above the allowable threshold of £139,893 without the need to tender throughout the EU, the College selected from the Office of Government Commerce (OGC) approved supplier list. OGC buying solutions is an Executive Agency of the OGC in the Treasury. They provide a procurement service to the public sector to enable improved value for money, due to their significant buying power and economies of scale. Having reviewed the furniture range put forward and visited their

manufacturing facility the recommendation to members is that in this case we accept the lowest price tendered by Gresham Office Furniture. Gresham are very experienced within the university sector.

67.09FG The Chair of the Corporation asked if this was in line with the Colleges local policy. The Director of Property informed members that the College could not do this because there is no OGC locally, but we are using some local suppliers for other furniture.

68.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval, that the OGC approved supplier Gresham Office Furniture be awarded the contract for the supply of Classroom Furniture for the new Fordrough Campus up to a maximum of £224,768.19 (Excluding VAT) contained in paper 15.**

## 15.2 Insurance Review / Governance Liability

69.09FG The Interim Director of Finance informed members that the college's insurance policies are up for renewal. All elements have been reviewed, two of which were queried as to whether the College wants particular cover for specific anti terrorist attack and whether the level of cover for governor liability was on the high side. He informed members that the Clerk had emailed all members of the Corporation on his behalf requesting their feedback with regard to this issue. Two thirds had returned a response and only one governor stated that they wanted to keep the anti terrorist insurance. With regard to the Governor liability the majority of respondents said they were happy with £5 million cover as oppose to £10 million.

70.09FG The Interim Principal expressed some hesitation on changing governor liability as remember was a specific governor request and is less than a 12 month period. The Interim Director of Finance stated that this would not cause any issues as we had to add additional cover part way through the year.

71.09FG The Chair stated that the general view then seems to be to remove the anti terrorist cover and keep governor liability but a reduced rate of £5 million cover.

72.09FG One Governor stated that terrorist cover is normal but what is the cover already without the additional cover. She stated that she would be concerned if we removed the anti terrorist cover to then find in the event of a claim that we weren't covered. The Interim Principal informed members that the College would do some research with colleagues in the sector and report back to Corporation. **Action.**

73.09FG The Interim Principal stated that he did not want to advise members against something not absolutely sure about. Think we will get some further views and report to Corporation. **Action.**

## 15.3 Anti Fraud and Anti Corruption Policy

74.09FG The Interim Director of Finance informed members that the policy had been updated to reflect changes in re-structuring.

75.09FG **Recommendation: members unanimously agreed to recommend to Corporation approval of the updated Anti Fraud and Anti Corruption Policy contained in paper 16.**

#### 15.4 Provider Financial Assurance (PFA)

76.09FG The Interim Director of Finance informed members that the College had received a letter from the regional audit manager. The letter explained that the team had visited the College on 20<sup>th</sup> January 2009 to follow up progress on the Financial Management and Governance review conducted in November 2007; a review of progress on the Financial Notice to Improve, and validation of the College's Financial Management and Control Evaluation for FfE. The outcome of the visit is that satisfactory progress has been made to address the weaknesses. The letter concludes that they will not be undertaking a formal financial management and control visit to the College alongside Ofsted during the inspection week. They will obviously be liaising with Ofsted and if this results in any of the issues needing to be revisited, they will advise the college accordingly.

77.09FG The Chair of the Corporation stated that he was very pleased to hear that because the College had already started to put some things into place prior to the inspection in 2007. He stated that he was also pleased with the relationships built with the LSC. He wanted to thank all the staff involved for their effort.

#### 15.5 Under recruitment/over – funding 2007/2008: Request for Waiver

78.09FG The Interim Director of Finance informed members that the College had received a letter from Peter Brammall at the LSC authorising the waiver of the repayment of £2.3 million.

79.09FG The Interim Principal informed members that normally there are a load of conditions put on money waived in this way but we can do what we want with it due to our current situation.

80.09FG The Chair stated that this was really good news and wanted to place on record his thanks to the LSC for the enormous support the College has received from them.

#### 16. Date and time of next meeting

81.09FG Members agreed that the next meeting would take place on Tuesday 5<sup>th</sup> May 2009, 5.30 pm, NWSA, in room 3&4

#### 17. Meeting Evaluation Form

82.09FG Members were asked to complete their evaluation forms and hand them to the Clerk prior to leaving the meeting.

Meeting closed 6.40 pm.