

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE ON 18 APRIL 2017

1. PRESENT

Mr S McCracken (Chair), Mr P Cropley, Mr M Gallagher, Mrs A Mosek, Mr G Tawton and Mr N Worth.

Also in attendance: Mr G Harrison (Governor/Observer), Mrs J Hemmant (Clerk to the Corporation) and Mrs D Holland (College Accountant).

Apologies: Mr P Scarlett

Meeting attendance: 86%

2. ACTION LOG

Members reviewed the Committee's Action Log and noted progress made.

3. MINUTES OF THE MEETING HELD ON 16 JANUARY 2017

The Minutes of the Meeting held on 16 January 2017 were reviewed and approved.

Under Matters Arising the following points were noted:

- Marketing

With reference to the gathering of information on marketing it was found to be quite a challenging task due to the different levels of spending and it was agreed that this should not be pursued further.

- Finance

Following a query as to the impact on the outturn of the additional £200K to partners, it was noted that this had been minimal but a further allocation of £100K to partners had resulted in a reduction to the forecast surplus.

- Holiday Hunger

Members were advised that the Head of Learner Services had approached Social Services who said they were unable to give the College a view regarding this issue.

4. FINANCE

Members received a report from the Vice Principal: Corporate Services on the routine set of College accounts as at the end of February. Members noted the contents of the accounts together with the 2017/18 funding allocations and funding agency feedback on the College's financial standing.

Steve McCracken sought Amanda Mosek's view on the shortfall in AEB earnings. She replied that the amount the College receives for each adult course involves a huge

amount of work for very little reward. As a result of fewer people claiming job seekers' allowance, numbers of learners enrolling on employability courses has reduced. This together with fewer ESOL learners, most likely due to Brexit implications, had resulted in an unforeseen effect on planned delivery. Amanda Mosek said it was always difficult when curriculum planning to foresee what is required by the public. The curriculum plan for 2017-18 has now been compiled by Fiona Grady and she has taken a prudent approach across all areas so that the College is not in the same position next year.

Members reviewed the profit and loss account and discussed the content therein. Peter Cropley commented that with regards to ESF funding employers can now obtain free training which contributes to the downturn in the AEB earnings by the College. Debbie Holland was asked to explain the project income figure and said that this was funds received but not yet allocated or spent.

A discussion took place on whether it was known that the restructure would need to take place at the start of the year and result in restructuring costs. Amanda Mosek said that it had become apparent that, with the need to introduce the two new posts of Apprenticeship Manager and HE Manager, there needed to be reductions elsewhere and savings had been made with the removal of one of the "Heads of" posts. She said that it showed that the College was being reactive in-year as to what needed to be addressed.

The Committee noted an increase in student transport costs relating to students being transferred to and from Peter Paine. The increase related to changes in main transport timetables.

Janet Hemmant drew Members' attention to the new report namely, Performance Against Funding Allocations/Targets and gave an overview of its content. Reference again was made to the shortfall in the AEB funding and a copy of suggested additional adult courses was circulated for information and discussion. Amanda Mosek said that she felt that there was some merit in offering these additional courses even as a taster as it can result in applications being made for other courses. It not only raises the profile of the College but also demonstrates that senior management are trying to be proactive about the issue.

Members commented that it was pleasing to note that the College's cash balances remain healthy and that most of the expenditure for the recent refurbishment of the Sam Newsom Centre has been paid out.

Peter Cropley made comment on the Debtors' Report and asked if the court action and debtors in court information could be displayed with more detail in future. Janet Hemmant said that she would action this for future reporting.

Information pertaining to the Eastern Enterprises accounts was reviewed and Peter Cropley made reference to the Cash at Bank figure asking if it made any difference whether funds owed to the College stayed with the company longer. Janet Hemmant assured him that it was irrelevant as to where it is held due to such low interest rates at present. He also enquired as to why the profit and loss account was showing a zero balance for the Service Charges and Janet Hemmant informed him that this was a calculation that had not yet been undertaken.

Funding for 2017/18 was noted to be unchanged for 16-18 and AEB provision. Apprenticeship allocations have not yet been confirmed.

Finally, Steve McCracken drew Members' attention to the letter received from the SFA/EFA about the College's outstanding financial position and the positive comments contained therein.

5. **PENSIONS**

Members received a verbal report from the Vice Principal: Corporate Services and a copy of AoC Pensions Briefings.

6. **STUDENT UNION ACCOUNTS**

Members received a report from the Vice Principal: Corporate Services.

Steve McCracken commented that it is unusual to receive such detailed accounts. Janet Hemmant said that it was a requirement of the Articles of Government for the Students Union to present audited accounts on an annual basis to the Board. She explained that the Boston College Students Union has very limited finances and that an audit had therefore been deemed to be unnecessary.

The Students Union are responsible for raising funds and deciding what it is to be spent on. George Harrison was asked what the Student Union intended to spend the money on. He replied that this year they are hoping to put on a PRIDE/end of term event which will be overseen by Yanna Lawson who is the Student Involvement Coordinator. Peter Cropley enquired of George whether the Student Union had considered leaving the NUS to which he replied that he was not sure of the political stance but that Boston Union's funds are largely raised from the sale of NUS cards.

Steve McCracken, on behalf of the Committee, expressed his thanks for the information and for copies of the bank statements. Janet Hemmant informed Members that the account had not been subject to a formal external audit but that they had been reviewed by the Finance Officer.

7. **PROPERTY**

Members received a report from the Vice Principal: Corporate Services.

Janet Hemmant gave an overview of the latest estate developments. She gave an update on the planned extension to the construction workshop, with an estimated cost of £180K which will need to be overseen by professional advisers. Fees for professional services will probably cost around £10K. The investment will be added to the cashflow forecast.

Amanda Mosek informed Members that she had written to Ursula Lidbetter, Chair of the GLLEP, Matt Warman MP and Justin Brown, Head of Economic Regeneration at Lincolnshire County to ask how colleges could access the new Capital Skills Fund and to remind them that colleges were now wholly dependent on the LEP for any form of maintenance and condition funding. Strategies for continuing to lobby on this matter were discussed.

Janet Hemmant informed Members that there were a number of other improvements currently being planned, one of which is the extension of Small Animal Care within the Goodliffe Centre.

8. **Sam Newsom Centre**

Mick Gallagher referred to the recent official opening of the Sam Newsom Centre and commented that it had been a very enjoyable afternoon.

9. **DATE OF NEXT MEETING**

It was noted that the next meeting of the Committee would be held on 19 June 2017.

10. **PRINCIPAL**

Staff and Student Governors, the Clerk and staff members withdrew from the meeting.

Members of the Committee had a discussion about the impending departure of the Principal.