

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE ON 20 JUNE 2016

1. PRESENT

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

Also in attendance: Mrs J Hemmant (Clerk to the Corporation), Mrs D Holland (College Accountant), Mr T Tharby (Director of Workforce Development) and Mrs J Webb (Minute Taker),

Meeting attendance: 71%

Apologies for absence were received from: Mr S McCracken and Mr P Scarlett

2. ACTION LOG

The Action Log was reviewed by Members and the latest position on outstanding actions was noted.

It has been agreed that the fundamental systems analysis will not now be actioned.

The situation regarding the land on Skirbeck Road has not progressed due to ongoing discussions regarding the proposed boundaries. It was agreed that before further action is taken alternative options to deliver the College's parking requirement should be investigated. ●

The survey with students as to what they would like to see offered in the Bistro has been deferred until next term. ●

Janet Hemmant clarified the situation with regard to an increase in employer contributions as noted in the Profit and Loss Account. She said the contributions reflected general growth in apprenticeships and did not relate to one particular area.

Janet Hemmant clarified the reason for the increase in the Service Agreements and Contracts budget within the Profit and Loss Account which was due to the purchase of the VITAL software at £20K.

Janet Hemmant gave an update on the situation regarding the Restaurant at Red Lion Quarter. Most options for use of the space as a restaurant seem to have come to nothing and an alternative option is being pursued. If all options fail the College would make use of the space.

Proposed alterations to the Sam Newsom Centre were shared with governors and Janet Hemmant said she would show the detailed plans to those interested after the meeting. ●

3. **MINUTES OF THE MEETING HELD ON 18 APRIL 2016**

The Minutes of the Meeting held on 18 April 2016 were approved.

Under Matters Arising discussion took place on a number of issues including:

- Under item 4, EMAT Centre – Janet Hemmant said that a bid was being submitted to the Coastal Communities Fund which would not need to be match funded by the College. The outcome of the initial bid would not be known until August after which selected bids would proceed to a second round. Members were advised that if the College bid progresses delivery timescales will necessitate some expenditure before final approval.
- Under item 4, Repairs and Maintenance – Janet Hemmant advised that the figures for the first year of the planned maintenance programme had been received but were not regarded as realistic. She said the Estates team was working its way through the costings and, in response to an earlier suggestion, the budget sum for 2016/17 had been increased. She would update Members again in due course.

4. **FINANCE**

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

Janet Hemmant informed Members that the primary business was for them to review and agree the budget and financial plan and make any comments which would need to be passed to the Board at their meeting on 29 June 2016. She reminded them that the Agency had advised that Boards need to be more challenging of financial plans.

Debbie Holland circulated a checklist for the Financial Plan Commentary which was reviewed and discussed. Janet Hemmant said that the proposed budget showed that the financial health of the College looks set to move from good to outstanding for the next two years. Gerry Tawton confirmed that the checklist complies with guidance issued and Janet Hemmant said that the document would be shared with the Board.

Discussion took place regarding Lincolnshire's devolution and the effect it will have on the College with regards to funding. The Combined Authority will hold the budget for adult skills in the future. The potential changes to apprenticeship funding were also discussed and it was noted that apprenticeship budgets will no longer be given to colleges. Instead employers will receive funding directly and will choose which training provider to work with. This then triggers payment to a provider. Whilst this is a potential risk to cash flow it is also an opportunity to increase the amount of apprenticeships delivered. It is important that apprenticeship provision is increased and promotion of the provision is being stepped-up. For 2016/17 the total of the College's and partners' planned apprenticeship work exceeds the allocation. Up until this year funds could be vired across different headings within the budget however this is not now permissible because the adult budget will ultimately transfer to the new authority. The proposed delivery above target may therefore not be funded. Peter Cropley sought Gerry Tawton's view, as an accountant, and discussion took place regarding accountancy practices. Following discussions it was agreed that neither

the costs nor the income of the excess work should be included within the budget because it could be adjusted as the year progressed.

Debbie Holland circulated a paper relating to the New F&HE Statement of Recommended Practice (SORP). Peter Cropley raised a question relating to FRS102 and Debbie Holland clarified the answer explaining the situation regarding the recording of fixed assets.

Janet Hemmant drew Members attention to the routine set of management accounts and said that there was nothing of particular to note and the content had not changed significantly from the previous set.

The Committee felt that its review of budget proposals had been thorough and agreed to pass the proposals on to the Board at the meeting on 29 June 2016. Janet Hemmant informed Members that the budget needed to be sent to the Skills Funding Agency by the end of July.

5. **HUMAN RESOURCES**

Members received a report from the Director of Workforce Development.

Keith Tharby gave an overview of his report and supporting charts which he said showed a slightly more mixed view of performance than normal. He gave a snapshot under each heading:

- Absence (Long Term/Short Term) – there had been significant long and short term absences relating to operations/hospital admissions and accidents and recovery. None of these were related to any College incidents.
- Employee Relations – the College had not been involved in any employment tribunals but there had been a few capability and managerial issues.
- Recruitment – considerable work had been done in conjunction with the local Job Centre Plus with regard to recruitment of foreign nationals. This had also involved Frank Hanson as Equality, Diversity and Inclusion Manager.
- Starters/Leavers – the reduction in the number of leavers in the early part of service with the College is pleasing to note.
- Staff utilisation – Keith explained how the data is measured and noted the average staff utilisation rate of 98%.

Gerry Tawton sought further details on the salary overpayment issue to a member of staff which had occurred over a number of years. A discussion took place regarding the recoupment of the over-payment and management of the situation. Keith Tharby confirmed that procedures had been reviewed and a more stringent recording process is now in place.

6. **DATE OF NEXT MEETING**

The next meeting will be held on 26 September 2016.