

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE HELD ON 16 NOVEMBER 2015

1. PRESENT

Mr S McCracken (Chair), Mr P Cropley, Mrs A Mosek, Mr P Scarlett and Mr G Tawton

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

Meeting attendance: 83%

Apologies for absence were received from: Mr M Gallagher

2. ACTION LOG

The Action Log was reviewed by Members.

The next meeting about the local Government Pension Scheme will be held on 25 February 2016 and Janet Hemmant suggested that attendees could be the Chair, Keith Tharby and herself. Others are also invited to attend if they wish. ●

As there were a number of property matters on the Log Steve McCracken suggested that a short update and discussion take place on the following:

- De Montfort Campus

Planning consent has been agreed and Janet Hemmant outlined the timescales to completion.

- Sam Newsom Centre

A reasonable offer has been made for the purchase of the property. No response has yet been received.

- Land on Skirbeck Road

The parcel of land which is up for sale adjacent to the retail units opposite the College was discussed. The land had previously been sold but this had fallen through hence the land being placed back on the market. Janet said she had approached the agent to enquire as to the cost and the figure was discussed. Whoever does purchase it will need to take into consideration a proposed retained portion of the land to ensure the

vendor's land is not landlocked at the rear. A suggested change to the shape of the parcel of land would need to be agreed. Peter Cropley raised concerns as to what may lie beneath the land as suggestions had been made previously that the land had been in use as a Friary. He thought that the College could incur considerable costs as to removal of any artefacts. Members discussed what the land could be used for and it was agreed that it would be a useful addition to the College estate.

Following an in-depth discussion Members agreed that an offer be made and Janet Hemmant will approach the Agents to offer the agreed sum.

If a proposal is put to the LEP for capital funding the acquisition of the land would be looked upon as a positive point. Any funding from the LEP would need to have some match funding from the College. Amanda pointed out that the College is currently outgrowing its capacity with regard to engineering. There is a real need to expand further in this area to meet the local skills shortages and this would be the focus of a future bid for capital funds.

3. **MINUTES OF THE MEETING HELD ON 22 SEPTEMBER 2015**

The Minutes of the Meeting held on 22 September 2015 were approved.

There were two matters arising:

a) **Cresswell Close**

Amanda confirmed that the facility is only used by Motor Vehicle learners during the day time and that the property is not used in the evenings.

b) **Funding of LDD learners**

No response had been received from Matt Warman MP and it was agreed to close this issue.

4. **FINANCE**

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

Janet Hemmant informed Members that there were two sets of accounts presented; the full set of the draft 2014-15 accounts and a set of Management Accounts for September.

After discussion it was agreed that the key points on the annual accounts as presented within Janet's report should be presented to the Board at their December meeting. Janet informed Members that the annual accounts would also be presented to the Audit Committee at their 26 November meeting. The Committee was pleased to note that the outturn position had been clear at an early stage this year.

Janet drew Members attention to the September Management Accounts and said they were atypical in representing only two months activity at the start of the year. A few variances were being followed up.

A discussion took place with regard to some curriculum areas showing higher than anticipated spending taking place. Janet explained that this could be due to stock having been run down at the end of the last academic year and the need to restock at the beginning of the current one. Steve McCracken commented that it was disappointing to see the figures so out of sync with forecast profiles by the second month of the year. Janet advised that any issues will be followed up during performance monitoring which takes place on a quarterly basis and any necessary re-profiling will then take place.

With regard to the position of cashflow Steve McCracken informed Members that he had asked Debbie Holland to review the forecast to August 2016. The data was discussed and explanations were given on the profile of cash balances.

The Debtors list was reviewed and a discussion took place about the recovery of persistent debts. It was noted that most debts related to student fees.

The financial covenant calculations were reviewed and the position was noted as good.

Finally, the Eastern Enterprises balance sheet and profit and loss account were reviewed.

5. **LIVING WAGE**

Members received a report from the Director of Workforce Development.

Members commented that they had found it difficult to understand implications for the College within the report and asked for verbal clarification.

Keith explained the process he had undertaken and how he had arrived at the calculations.

A discussion took place as to how the College should proceed in adopting the living wage and the subsequent implications for pay scales which are set by the College. It was noted that the scale and pace of the change will have an impact year on year and that this needs to be taken into account for budget setting purposes.

A suggestion was made to compare the data and impact against other local colleges, however this was deemed not to be possible as most other colleges' pay scales are significantly higher than Boston and therefore the outcomes would not be comparable.

Keith then gave feedback from questions that had been raised at a recent HR Network meeting that he had attended.

Following discussion it was agreed that the differentials be opened up a little in the medium term and the position be reviewed for the long term once the result of collaboration discussions are known.

Steve McCracken asked Keith to carry out some modelling of data and write a narrative on the various profiles.



6. **DATE OF NEXT MEETING**

The next meeting of the Finance and Resources Committee will be on 18 January 2016.