

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE HELD ON 18 APRIL 2016

1. **PRESENT**

Mr G Tawton (Chair), Mr P Cropley, Mr M Gallagher, Mr P Scarlett and Mr N Worth

Also in attendance: Mr G Harrison (Student Governor nominee, observing), Mrs J Hemmant (Clerk to the Corporation), and Mrs J Webb (Minute Taker),

Meeting attendance: 71%

Apologies for absence were received from: Mr S McCracken and Mrs A Mosek

2. **ACTION LOG**

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

The fundamental systems analysis was on hold due to the collaboration talks. The Collaboration Working Party Group has agreed that a merger will not be progressed at the current time but may be reviewed in a couple of years. It was therefore agreed that the systems analysis should go ahead.

Steve McCracken had met with Gerry Tawton to acquaint him with the role and responsibilities of the Committee following his appointment as Vice-Chair. This point can now be removed from the Action Log. ●

The CPD presentation on finance will be given to the full Board at the budget planning session.

There had been no questions pertaining to the Catering Curriculum Area Report that was presented to Members at the last Committee meeting.

The term 'Trade Debtors' was considered to be appropriate and will remain.

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

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

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

- Under Item 4, Finance – Peter Cropley referred to the Halls of Residence and enquired as to what progress had been made on options for use of the empty space within the Halls. Janet Hemmant gave an update on current bed occupancy by students and it was noted that the empty rooms are in flat formation which restricts their use for teaching occupancy. The issue

is being reviewed regularly and thought is being given as to how best to utilise the space. A discussion took place as to other possible uses and these will be progressed where feasible. Janet Hemmant gave an update following Paul Collins' recent recruitment visit to Asia where it was hoped there will be a successful outcome.

- Peter Copley enquired whether the planned maintenance schedule survey for the buildings had taken place. Janet Hemmant confirmed that it had over the Easter period and the College was currently awaiting the report.
- With regard to the Skirbeck Road land Janet Hemmant, in response to Peter Copley's question, informed Members that the vendor had a meeting with the highways department regarding their proposed entrance to the area, the outcome of which is not yet known. The College will keep pursuing this.
- Gerry Tawton referred to the Living Wage report that was presented by Keith Tharby (Director of Workforce Development) at a previous meeting. It was pleasing to note that anticipated costs had been reduced this year with a strategy being adopted for forthcoming years.

4. **FINANCE**

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

Janet Hemmant drew Members' attention to the set of Management Accounts for the period ending 29 February 2016 and gave an overview of specific key issues and answered queries arising.

Discussions took place on a number of issues including:

- Profit and Loss account

Gerry Tawton explained that it was helpful to focus on the full year variances since phasing issues can affect the figures along with accounting technicalities. Peter Copley and Gerry Tawton agreed that perhaps the terminology used for the sale of assets was slightly wrong.

It was noted that the Bistro and Diner were showing reduced sales. This could be due to the fact that students are preferring to leave campus and purchase meals from local suppliers such as Dominos and the Coop. Although the College supplies very similar food choices it was felt that students do like to exercise their choice. Peter Copley asked if a survey could be conducted with students as to what they would like to see offered in the Bistro. Janet Hemmant said she would make arrangements for this to be carried out.

Following an enquiry from Nick Worth, Janet Hemmant explained that the high cost income from LCC referred to special needs learners.

Janet Hemmant explained that a number of budget heads had incurred higher costs e.g. exam fees which are continually increasing and repairs and maintenance. The latter included improvements which were partly grant funded.

With regard to employer contributions, Peter Cropley asked Janet Hemmant to check why these had increased significantly. ●

Under Repairs and Maintenance Janet Hemmant said that when the initial budget had been set it was unclear how much grant funded work would carry forward to 2015-16 and this had led to a budget adjustment. The changes that had to be made to the Goodliffe Centre to accommodate the Small Animal Care curriculum had also appeared in this budget since they could not be capitalised. This is proving to be a particularly promising growth area.

Peter Cropley asked Janet Hemmant to look at the reasons for the increase in the Service Agreements and Contracts budget. ●

- Cash Flow Forecast

Janet Hemmant explained the data on the cash flow diagram and clarified the content.

- Debtors Report

Janet Hemmant said that the new arrangements for billing had been working better and fees were being collected in a timely manner. She said that more of the debts now relate to HE loans and she went on to explain how these were paid. She confirmed that the College always pursues loan debts and only writes them off under exceptional circumstances, unlike some colleges. All agreed that this was best practice and the preferred option.

- Future Accounting

Janet Hemmant said that some remodelling needs to take place due to new SORP and that a meeting is scheduled with the Auditors next week after which she would return to the Committee to ask them to sign off the amended accounting policies. No extra charge is being made by the Auditors for this service.

- Eastern Enterprises Ltd

Janet Hemmant briefed members on the current situation with the restaurant in Spalding. Phil Scarlett was asked to follow up a related enquiry. ●

Janet Hemmant then drew Members' attention to the funding allocations for 2016-17 which had been received along with comparative data which showed the movement from 2015-16 allocations. The Committee was pleased to note that the allocations were better than had been anticipated.

Finally, Janet Hemmant drew Members' attention to the letter from the Skills Funding Agency referring to a review of the College's 2014-15 accounts. It was pleasing to note that the result was very positive. Janet informed members that the Agency had published accounts for all colleges and she was requested to send this information to them and upload to the Intranet. In response to Gerry Tawton's question, Janet advised that financial health reviews are carried out each year but that the data analysis is comparatively new. ●

5. PROPERTY

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

Janet Hemmant gave an update on a number of issues which were then discussed in detail including:

- Sam Newsom Centre

The College has owned this property since 4 April 2016. Consultants are working on the proposed alterations although there are some issues due to the listed building status. It is hoped that some of the alterations will take place over the summer break however as a contingency plan the performing arts students will remain at the Peter Paine Performance Centre for the forthcoming academic year. Plans will be shared with Governors as soon as available together with a regular report on progress. ●

- Skirbeck Road Land

The College has not had sight of any plans pertaining to the different area proposed to be sold at a reduced price and is currently awaiting those details.

- EMAT Centre

A bid to the LEP for feasibility funding had been submitted but was unsuccessful. A further bid has been submitted for the whole development but no information is yet available. Members agreed that having representation on the LEP might be helpful in gaining funding. Peter Cropley said that he had spoken with John Hayes MP who said he would be happy to support in whatever way he could. Members agreed

that there needed to be strong representation for the College's voice to be heard. It was agreed that Nick Worth would speak with a contact on the LEP and Peter asked Janet to contact David Hanson asking him to speak with his contact too.

- Skegness Premises

Janet Hemmant gave an update on the latest position regarding this redundant lease.

- Cresswell Close

Notice has been served and the College is in the process of withdrawing from the premises.

6. **ANY OTHER BUSINESS**

Mick Gallagher raised the issue of the adoption of electronic only papers which had been used for the first time in the meeting today. He said that he had not found them to be particularly user friendly. Following discussion a number of other Members concurred with his view. Only one Member was using an electronic device to access them with the rest relying on paper copies or viewing on screen which they felt had been problematic when viewing spreadsheets. Peter Cropley requested that Jan Webb send an email to all Members, including those not in attendance today, and seek their preferences/view as to electronic or paper. A decision would then be made as to how best to present in future. Janet Hemmant informed Members that the new software for producing the papers electronically was now in use and Nick Worth suggested an app which might be useful for viewing them.

6. **DATE OF NEXT MEETING**

The next meeting of the Finance and Resources Committee will be on Monday 20 June 2016 at 5.00 pm in the Enterprise Zone Conference Room.

An additional informal meeting that is budget specific will be held on Tuesday 24 May 2016 at 5.00 pm.