

BOSTON COLLEGE**MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON
15 APRIL 2019**

1. PRESENT

David Earnshaw (Chair), Peter Copley, Jo Maher, Ben Webb and Nick Worth.

Also in attendance: Janet Hemmant (Clerk to the Corporation), Rachael Baker (Director of Planning and Performance) and Debbie Holland (Director of Finance).

Apologies for absence were received from Gerry Tawton

Attendance 83%

2. ACTION LOG

The committee reviewed the action log and noted progress made against the items covered.

It was noted that additional funding had been confirmed for Teachers Pensions cost increases in 2019-20 so the impact of this increase cost was being mitigated.

The committee noted that a meeting would be held shortly in London to progress the Institute of Technology. If partners are able to be represented Debbie Holland will be attending on behalf of the College. It is still proposed to share the cost of legal advice for the JVA between the colleges. The committee also noted that the building works related to the IoT development would need to progress quickly and that there would need to be close monitoring of expenses since these costs were likely to be reimbursed on a 60-day payment arrangement. The Estates Strategy will be reviewed to reflect the Institute of Technology development and another bid submitted by the College and this should be available for review in September 2019. ●

3. MINUTES

The Minutes of the Meeting held on 4 February 2019 were reviewed and approved.

The committee was advised that the LEP had now made payment of the first 2 claims on the EMAT project and had shortened the payment period because of the delays which had occurred previously.

4. FINANCE

Members received a report from the Director of Finance.

The committee noted the effects on the year end forecast of the change to the value of Apprenticeships funding which had resulted from a problem with external databases. Mitigation was in place to prevent any further problems of this nature with executive approval being required for any reporting changes. The issue has been reviewed and dealt with internally. The impact has been offset in part by a reduction in partnership payments, Catering performing better due to structural changes and efficiencies and some higher grant income. It was noted that the increased income for Catering was

supported by a higher head count and increased Bursary support for students. The committee reviewed the Management Accounts presented.

Debbie Holland gave a presentation of the five-year financial forecast and she and Jo Maher commented on the key issues which were reflected in the forecast. David Earnshaw asked whether the anticipated reduction in Apprenticeship funding was driven by demographics. Jo explained the issues which were affecting apprenticeship resourcing. It was noted that employers were favouring other funding streams which required less input. Jo advised members that the College was looking at options to grow its income lines.

The committee was advised that the Office for Students had some concerns about financial viability of colleges against its own standards but it was currently relying on ESFA reviews. Debbie advised that the five-year forecast being presented was pre-mitigation of the effects of changes. Jo explained the changes in the private training market and the impact this had on the College and also the opportunity to pick up some work. The worst case scenario as presented still shows good financial health across the five-years but delivering significant surpluses will be challenging.

Debbie Holland took the committee through a number of options for improving financial performance over the five-year period. A discussion took place about pension scheme changes and it was identified that there was a need to review options and their risk implications. David Earnshaw queried the effect on the staff head count of transferring in work which had been sub-contracted and it was confirmed that there would be some impact on this but that this would be controlled. David advised the committee that he and Gerry Tawton had found this approach interesting and informative and the committee concurred with this view.

5. PARTNERSHIP PROVISION

Members received a report from the Director of Planning and Performance on Partnership provision.

Rachael Baker reported that Partnership delivery was going better than last year in terms of delivering the contracts. The College had reviewed the performance of the partners with the weaker profiles and some flexibility had been identified to ensure overall delivery of the targets.

Peter Cropley raised the question of vulnerability if major partners were lost. Rachael advised that the College was going to be re-contracting next year. Levels of dependence on individual contractors would be reviewed at that time.

6. FUNDING AND DATA CONTROL AND COMPLIANCE

Members received a report from the Director of Planning and Performance on funding and data control compliance.

Rachael Baker reported on the funding allocations which had been notified for the forthcoming year and advised that the curriculum planning process was proceeding. The funding report is produced monthly for the Executive and monthly funding meetings with key managers have been introduced.

It was noted that internal audit findings had identified some concerns on Apprenticeship data controls which are being addressed. David Earnshaw queried the incidence of a number of concerns on quality, funding reporting and audit and asked whether there was a problem with apprenticeships. Jo Maher advised that the reviews which had been carried out were largely at her request and that there had been some changes made to the interface between the apprenticeship team and registry to enhance management of

performance. Vicki Locke and Rachael Baker are overseeing this challenging area because of the complexity and the number of changes of methodology which there had been. David Earnshaw asked whether the College was on top of the issues and received an assurance from Jo and Rachael that it was.

7. PROPERTY

Members received a report from the Director of Business Development which was presented by the Principal.

The committee was advised that good progress was being made on the EMAT development and that internal design choices were now being made. Jo Maher updated the committee on the IoT development and on the Skegness lease.

Jo explained to the committee proposed changes to the Spalding campus and David Earnshaw confirmed that the works being carried out were within SLT levels of authorisation. Peter Cropley and others agreed that it was helpful to use the area being altered to generate income.

8. STUDENT UNION ACCOUNTS

Members received a report from the Director of Finance presenting the Student Union accounts for 2017-18 which were noted by the committee.

9. FE COMMISSIONER

Members held a confidential discussion about opportunities which had been identified by the FE Commissioner

10. GLLEP CAPITAL BID

Jo Maher advised the committee that she was working on developing a bid to the LEP and that information would be circulated on this before the next Corporation meeting if it was progressing. The committee was supportive of the bid and agreed that the potential saving on borrowing which had been identified in the discussions on finance could be diverted to support this bid and would achieve a higher return than loan repayments.

11. DATES OF METINGS

It was noted that the next meetings of the committee would be:

20 May 2019	Informal Budget Meeting
17 June 2019	Finance and Resources Committee