

B O S T O N C O L L E G E**MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 17 JUNE 2019**

1. PRESENT

Gerry Tawton (Chair), Peter Cropley, David Earnshaw, Ben Webb and Nick Worth.

Also in attendance: Janet Hemmant (Clerk to the Corporation), Rachael Baker (Director of Planning and Performance), Jen Durrant (Head of HR & Organisational Development), Debbie Holland (Director of Finance) and Vicki Locke (Vice Principal: Curriculum and Quality).

Apologies for absence were received from Jo Maher

Attendance 83%

2. ACTION LOG

The committee reviewed progress made against items identified in the action log.

Debbie Holland advised that the College had received confirmation of the planned full year allocation for teachers pension scheme costs which was £310,000 but only the funds up to March 2020 have been allocated at this time.

The committee also noted that legal advice on the IoT was still pending and that the item on IoT expenses could be removed from the action log since payments would now be on profile. It was further agreed that the Estates Strategy notes from previous meetings should be consolidated into one point on the action log. ● ●

3. MINUTES

The committee reviewed and approved the minutes of the meeting held on 15 April 2019.

Gerry Tawton asked for confirmation that the apprenticeship funding issue had been fully resolved and Rachael Baker confirmed that it had.

Peter Cropley asked about the LEP bid for a new development and Janet Hemmant explained the timescales to which the College is working.

Committee members noted that the budget meeting had not been attended by any non-committee members of the Corporation which was disappointing given the financial responsibilities of the whole Board.

4. FINANCE

Members received a report from the Director of Finance on the College budget and Management accounts.

Debbie Holland presented the information on the budget for 2019-20 onwards. A discussion took place about the financial health of the College and whether there was a possibility of it being outstanding in all of the years of the plan. Debbie explained to the committee the assumptions which had been made in producing the budget and particular discussion took place about pay awards. Nick Worth asked whether pay awards were compared with others across the sector and Debbie Holland and Jen Durrant confirmed that they were through networks and that pay awards across the sector were very low. It

was confirmed that there was a provision for a small pay award in the later years of the plan. The committee noted that cashflow also remains strong across the plan.

David Earnshaw asked for confirmation as to whether the College had increased AEB sub-contracting further and it was confirmed that this was the case. Peter Cropley asked about anticipated savings on procurement and the committee was advised that these savings were expected to be viable outside of the continuing collaboration with the other Lincolnshire colleges.

Moving on to the Management accounts, Peter Cropley asked about the increased surplus in the re-forecast and Debbie confirmed that this came from a number of sources but that the primary savings were from Learner Support Assistant costs. A query was also raised on the increase in debtor days and it was confirmed that these were higher in April due to significant HE funding receipts being due in May.

A discussion took place about contributions from different areas of work and low contributions in initial teacher training and Catering were noted. Debbie advised the committee that there had been a lot of sickness in Catering and that there were lower student numbers on the lagged funding. For initial teacher training it was reported that courses were being run to allow for progression but there was also possibly some mis-mapping of staffing allocations which had now been resolved. Vicki Locke advised the committee that new qualifications in this area were being looked at with Derby University and that staffing will be reviewed to ensure efficiency.

In response to a question from Gerry Tawton, it was confirmed that payments to partners will not overspend against the reforecast. Nick Worth asked about whether the College had a longer term capital plan. Debbie advised that the primary effect from capital expenditure was on the cashflow and that a longer term cashflow can be provided.

5. FUNDING, DATA CONTROL AND COMPLIANCE

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

Rachael Baker confirmed that curriculum planning for 2019-20 was now complete and reports would be available. New processes are in place to record learners quickly on enrolment and a new intranet landing page is being introduced which will include learner numbers. Withdrawals are another focus of attention and monitoring reports are being put in place.

Rachael advised the committee that AEB procurement was currently live and that two existing providers who had performed well had already applied.

Rachael advised that the College's year end funding forecast had been submitted and showed growth. AEB is a key area and the College is looking to achieve 97% of the allocation. Where there had been some under-performance with partners, contracts had been reduced to ensure delivery of the allocations.

Rachael reported on other developments and checks which were carried out on College data. Gerry Tawton commented that data recording appears to have stepped up and Rachael confirmed that there is more monitoring and reporting both to the committee and Senior Leadership team.

6. SKEGNESS LEASE

Members received a report from the Director of Business Development on possible steps to be taken to resolve the Skegness lease. In the absence of Paul Collins this was presented by the Director of Finance.

The committee considered the options for trying to resolve the lease and agreed a strategy for dealing with the options identified in the report. The committee agreed that the Director of Business Development should try to resolve this matter and suggested that a meeting be sought with the landlord with support from the professional advisor who had produced the valuation information provided to the committee. Members were reminded that the lease costs were allowed for in a provision in the accounts.

7. HUMAN RESOURCES

Members received a report from the Head of HR and Organisational Development.

Jen Durrant took members through the key points in the report. A noticeable area of change was a reduction in staff sickness absence with a significant reduction in long term sickness. She advised the committee of mental health and well being initiatives which were playing a part in reducing absence. Information was also provided to the committee on outcomes of employer relation issues. Vicki Locke provided information on staff utilisation and advised that developments were taking place to automate staff utilisation analysis. Staff utilisation is monitored at quarterly PMRs and is generally between 97% and over 100%. Vicki advised that she is satisfied that, whilst in some areas staff are over-utilised, there are no areas where they are under-utilised. Rachael Baker advised what was being considered to pull together information on utilisation and availability from the college's data systems.

The committee was advised that new DBS requirements were being introduced as part of the funding agreement and will have considerable cost to the College. A query was raised as to whether the renewal of DBS clearances was required for governors and a request was made that information on the wording of the requirement should be shared with the Chairs of the Corporation and the committee. The committee noted that there were approximately 240 staff holding DBS clearances which were over 3 years old and that there was currently no provision in the budget for renewing these since this was a recent requirement. It was agreed that consideration should be given to whether using the auto renewal system would be a better option for the College.

Peter Cropley asked whether there are any areas of concern about absences in individual College areas. Jen Durrant advised that initiatives were being looked at to address absence levels in Learner Services which was noted to be higher than other areas. Peter Cropley commented that a good job was being done on the reduction of absence and Gerry Tawton also confirmed that this was a positive report.

8. NEW DEVELOPMENT

The Director of Finance updated members on a potential new development working in partnership with a local authority. The committee was advised that currently the costs of working in this way were too high and a discussion took place about the risks involved in this development. The College has indicated the level of costs which would be more acceptable.

9. LCC PENSION BOARD

Gerry Tawton advised the committee that he had been appointed as an employer representative on the pension board.

10. NEXT MEETING

It was noted that the next meeting of the committee would take place on 7 October 2019.