

**BOSTON COLLEGE****MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 30 APRIL 2020**

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**1. PRESENT**

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

Also, in attendance: Janet Hemmant (Clerk to the Corporation), Paul Collins (Director of Business Services), Jen Durrant (Head of HR and Organisational Development), Vicki Locke (Vice-Principal: Curriculum Development) and Debbie Holland (Director of Finance and Funding).

Attendance 100%

**2. ACTION LOG**

Members reviewed the committee action log and noted progress made against the items listed.

Debbie Holland advised that she had reviewed creditor days and confirmed that all suppliers were on correct payment terms. The calculation is as accurate as it can be. The cashflow has also been reviewed.

Janet Hemmant went through the details of the potential savings on the DTLA contract and the latest position in respect of these. A discussion took place about the use of solar panels.

**3. MINUTES OF THE MEETING HELD ON 3 FEBRUARY 2020**

The Minutes of the meeting of the committee held on 3 February 2020 were reviewed and approved.

It was advised that there was no change in the position regarding the Skegness property and the Horncastle lease is with the College's solicitors. Paul Collins and Claire Foster had had discussions about the Horncastle development earlier in the week and the plans remain the same. This development will form part of a property and curriculum strategy. A discussion took place about whether there was likely to be an issue with the funding of the development and it was noted that there was likely to be more pressure on Council funding.

**4. FINANCE**

Members received a report from the Director of Finance and Funding on the College's financial position including the management accounts to 31 March 2020.

Debbie Holland advised that she had re-forecast the current and five-year forecast position. There is a loss of income due to Covid 19 in the current year and the assumptions underlining the budget have been reviewed. A number of staff have been furloughed with some more to be furloughed from 1 May and the first funds had come through for the job retention scheme. A claim is being submitted for the impact on Apprenticeship income but it was noted that this was comparatively small. PCDL income

has been confirmed and the committee noted that some refunds would be due for tuition fees and Halls of Residence fees. There is a small pay saving in the current year and some efficiency savings and the current prediction is a deficit of £150,000 maintaining Good financial health.

David Earnshaw asked about losses by areas of the College's work. It was confirmed that Apprenticeships are likely to have a reduction in income of £90,000 and there will also be significant impact on commercial catering and Halls of Residence income. The details are shown on the income and expenditure report. Nick Worth asked when a decision would be made on the provider relief scheme claim of £15,000 and Debbie advised that this was likely to be in May.

The committee noted that there could still be some more efficiency saving and Gerry Tawton confirmed that the forecast was prudent.

The committee looked at the five-year forecast comparison with the financial model return and noted the significant changes. A concern was expressed about the potential rate increase for 16-19's in 2021/22 which may not occur now. Apprenticeship income is likely to see the biggest drop and international income is likely to be reduced. Applications are currently up but travel restrictions may affect this. Detailed budgets are being worked up in time for the informal Finance and Resources meeting which will review the background to the budget.

Claire Foster told members that there could be increased costs in 2020/21 due to social distancing and the effects on class size. This will be reviewed when more is known about the arrangements. Gerry Tawton confirmed that the figures showed the best estimates. Nick Worth expressed a view that International travel would probably be significantly impacted. Vicki Locke advised the committee that she is working with Curriculum Heads to look at the impact of social distancing and also at how any staff who are under-utilised could be used or re-used. David Earnshaw asked if there was a budget for re-configuring the site to allow for social distancing. Debbie Holland confirmed that maintenance budgets would support this together with video conferencing and potentially some capital investment. At the suggestion of David Earnshaw it was agreed that these costs should be tracked in case they could be re-claimed at a later date. Claire confirmed that she had started to look at this with Paul Collins.

Peter Cropley asked about the impact on the College's cashflow. It was confirmed that for government funding where normal allocations would be maintained payments were assumed to be coming in as usual. Peter Cropley commented that a huge amount of work had been carried out by Debbie Holland and he and other members thanked her for the work which had been done.

## **5. HUMAN RESOURCES REPORT**

Member received a report from the Head of HR and Organisational Development on HR performance for the period 1 August 2019 – 31 January 2020.

Jen Durrant advised the committee that there had been an increase in sickness particularly long-term sickness. The reasons behind this were reviewed and were noted to include operations and long-term health conditions. Peter Cropley asked how many people were on long-term sickness absence. Jen advised that in August there were 5 and that there had been some change over the following months but there were 6 at the end of April. She has reviewed the current position with Claire Foster. Claire confirmed that there may be a need for some Occupational Health support and Jen advised the committee that Occupational Health is now re-engaging after the Covid 19 disruption to services.

Jen took members through the remaining sections of the report including employee relations and recruitment. It was noted that there had been an increase in leavers.

The committee was advised that staff utilisation had been over 95% at the beginning of the year but remote learning has had an impact on this. Staff wellbeing is a priority of the College and the College is encouraging staff to access support during the pandemic. It is also looking at training moving forward.

Gerry Tawton asked about absence by area and noted that it was high in Apprenticeships. It was confirmed that there was a significant impact of having one long term absence in this small team.

Peter Cropley asked how the College was classing self-isolation and sickness during the closure. Jen advised that if staff could work from home it was not recorded as sickness but a record was being kept of Covid 19 days lost. Staff are still reporting sickness throughout the closure period. Records are being kept so that figures later in the year are able to separately identify the Covid 19 effects.

## **6. FUNDING, DATA CONTROL AND COMPLIANCE**

Members received a report from the Director of Finance and Funding.

Debbie Holland took the committee through the details of her report and it was noted that Apprenticeship funding has a significant dependence on achievement payments. Debbie ran through the details of sub-contractor performance and the committee noted that one partner will not be able to deliver their contract and the College is waiting for advice on how to support this partnership. She also gave an update on quality visits.

Debbie advised members that curriculum planning is well underway and that a mock ILR audit had been completed prior to the College closure. David Earnshaw asked if an issue reported with Apprenticeships was the same as previous concerns but it was confirmed that this was a different issue and was being closely monitored. Gerry Tawton asked why the audit findings raised had not been identified and resolved by the Apprenticeship Manager prior to the audit. Vicki Locke confirmed that Apprenticeship hours are being monitored through Teams and responsibility falls across a few Managers. There is an issue that delivery plans need to be amended if hours change and the necessary action is being taken but the College needs to ensure that evidence is maintained too. Vicki advised that the Quality team are supporting delivery teams and Ben Webb commented that learners are generally on track.

The committee noted the PDSAT examples provided.

## **7. STUDENT UNION ACCOUNTS**

Debbie Holland presented the Student Union accounts for 2018/19 which were noted by the committee.

## **8. 2020/21 PLANNING**

Vicki Locke advised the committee that work was being carried out on planning for next year. HE numbers are looking positive and the College is confident of meeting targets. The focus for 16-18 year olds is maintaining interest in the absence of Open Events. Claire Foster advised that the College was looking at enrolment and how that should be managed to ensure that barriers to enrolment are removed.

Gerry Tawton asked about issues of Safeguarding in the current circumstances. Claire advised that she is confident that the team are actually exceeding the statutory duty for Safeguarding. There is an indication that learner engagement is waning after Easter. Vicki Locke advised that vulnerable learners are being tracked and kept in contact.

#### **9. INSTITUTE OF TECHNOLOGY**

Paul Collins advised the committee that the tendering process had produced 4 tenders which were all over budget. Cost reductions are being reviewed and an enquiry had been made about additional funding but this may affect the targets. It was agreed that a property committee should be convened to deal with the contract award and look at any gap spending which might be necessary.

The committee discussed how additional expenditure should be dealt with and it was agreed that the Property Committee should deal with the contract award and that the question of additional expenditure should be referred back to the Finance and Resources Committee. Peter Cropley commented that Covid 19 is probably affecting the costs of delivering contracts. Nick Worth asked where the additional costs were coming in and it was confirmed that some of the costs related to the entrance area. Peter Cropley asked whether the improvements to the entrance were a grant condition and Paul Collins confirmed that it was a requirement but may be reduceable. The IOT has to be branded and have a separate identity. Claire Foster confirmed that the College was looking at this and identifying options. It was agreed that the Property Committee should meet within the next couple of weeks to look at the contract award. The committee noted that any extra spend on the IOT development would be capital expenditure.

#### **10. TOWNS FUND**

Nick Worth flagged concerns about Towns Fund resourcing. It was noted that Jo Maher was still Chairing the Boston project but that Claire would take the College seat on this committee.

#### **11. NEXT MEETINGS**

It was agreed that the informal budget meeting of the Finance and Resources Committee should take place on Thursday 4 June 2020 and that the next full meeting of the committee should take place on Thursday 18 June 2020.