

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 22 NOVEMBER 2021

1. PRESENT

Gerry Tawton (Chair), Peter Cropley, David Earnshaw, Claire Foster and David Parnell.

Also in attendance: Janet Hemmant (Clerk to the Corporation), Debbie Holland (Vice Principal: Finance and Corporate Services) and Charlotte Robinson (Head of Finance).

Apologies for absence were received from Kelly Harris.

Attendance 83%

2. ACTION LOG

Members reviewed progress made against items in the committee's action log.

Members were advised that the Italian debt court date is 15 December.

The proposed lease alterations to the Peter Paine Performance Centre have to be formally resolved by the other party.

Units in Spalding are now accounted for.

A cyber security briefing will be given at the March CPD event.

3. MINUTES

The Minutes of the meeting of the committee held on 27 September 2021 were reviewed and approved.

4. FINANCE

Members received a report from the Head of Finance on the 2020-21 annual accounts and management accounts to 31 October 2021.

Members reviewed the contents of the annual accounts and noted that there was one correction to be made and one note to be removed. The Chair of the committee had raised a number of questions on the accounts already and received appropriate responses from Debbie Holland.

Peter Cropley asked about the use of Rollits for legal services. Debbie Holland advised that they had been used through the framework arrangement for advice on the subcontracting contract and Spalding lease. In response to a query from Peter about the increase in audit fees, Debbie advised that these related to extra audit work now required and a change in the Audit Code of Practice.

Debbie informed members of an investigation which had been carried out by the college into a funding-related data issue. The college had investigated a reported discrepancy and taken appropriate action. The data in question was not included in the college's funding claim but the incident has been reported to auditors and the ESFA. The sum involved was not material and does not affect the accounts. An improvement plan has been created to prevent any further issues.

Having noted that there may need to be an adjustment to the accounts if the business case regarding the AEB clawback is approved before sign off, the committee agreed to approve the accounts for submission to the corporation.

The committee noted the new format for management accounts and performance at 31st October. A reforecast is underway. The cash position is good but includes the clawback provision. AEB remains a risk in 2021-22. It was reported that a new project, Learning Employment and Progression, would create additional income.

Peter asked about reduced hall of residence income and any associated cost savings. It was confirmed that this would form part of the reforecast. David Parnell asked if there was any possibility of rate relief on the accommodation. Debbie will look into this. ●

Gerry Tawton asked if the new accounts format was compulsory. It was confirmed that it was best practice but that adjustments could be made to it. It was agreed that the FRS102 adjustment should be removed. In response to a point raised by David Earnshaw, the committee agreed that the possibility of including prior year to date figures should be considered. The college is reviewing how learner income and numbers are reported where funding associated for individuals varies significantly. ●

Peter raised a query about international debt other than that which was in court. Members were advised that the debtor says that this debt will be settled and it is being pursued. ●

Gerry asked when the reforecast will be complete. Members were advised that work was currently being carried out and information would be circulated when it became available. ●

A query was raised about the KPI targets shown within the management accounts. Debbie confirmed that some of these were historic and needed to be reviewed. Gerry suggested that a basis for targets could be what is needed to achieve Outstanding financial health. It was agreed that targets should be reviewed when the forecast is complete. It was agreed that it would be useful to include comparative information on previous reforecasts. Charlotte gave a verbal update on the key elements of the reforecast. David Parnell suggested that it would be helpful to show trends in reporting. ●

David Earnshaw asked about longer term learner number trends. Claire Foster told members that the college was seeing young people considering employment options. The college needs to continue to offer high quality provision but to extend its offer and is looking at the structure to support shifts affected by employment opportunities including a move to apprenticeships. David Earnshaw commented that the labour market is very tight with no indication that this will change. The committee discussed the challenges of a competitive market. The college is considering engaging consultancy services to look at a curriculum review David Parnell commented that it would be useful to draw upon expertise on best practice and benchmarking. The costs of this are being reviewed. Information regarding this review is to be fed back to the committee. ●

5. FUNDING DATA CONTROL AND COMPLIANCE

Members received a report from the Vice Principal: Finance and Corporate Services on the college funding position, data control and compliance.

6. PROPERTY

Claire Foster reported that a meeting about the Towns Deal developments would be held imminently and feedback would be provided at the Corporation meeting. The Horncastle development is now in the build phase.

7. **NEXT MEETING**

Members noted that the next meeting of the committee would take place on 31 January 2022.