

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 10 JUNE 2024

1. PRESENT

Gerry Tawton (Chair), David Earnshaw, Gavin Booth, Claire Foster, David Parnell and Fiona Wrisberg.

Also in attendance: Janet Hemmant (Clerk to the Corporation) and Debbie Holland (Chief Operating Officer).

Daran Bland joined the meeting for the presentation.

Attendance 100%

2. BUDGET BRIEFING PRESENTATION

Members received a presentation from the Chief Operating Officer on setting the 2024-25 budget which looked at the timetable and process, including curriculum planning, as well as underlying facts and assumptions.

Gerry Tawton asked for information on the calculation of the funding allocation. Debbie Holland explained the calculations and the threshold for clawback of AEB funding.

A number of opportunities for growth are to be pursued. Claire Foster explained that projects which are ending may be replaced by new opportunities. David Earnshaw asked about rises in staff costs and a discussion took place about the national living wage effect.

Claire advised members that curriculum planning and costing had been subject to line by line scrutiny. David Parnell asked about how curriculum area contribution is assessed. It was explained that as well as looking at the contribution from individual courses other factors such as continuing courses and the place of new provision within the overall curriculum offer were considered. Some of the courses play an important role feeding into other provision such as higher education. This means that not every line has to be within the window of contribution identified. It is important that the senior learning leads understand viability and the effects of retention.

In response to a query from Gavin Booth, information on the thresholds for the financial health score was provided. Members noted the importance of cash levels and the fact that for the forthcoming major project it had been agreed that the council would make payments two weeks after submission of claims.

Claire reflected on the need for individual areas to understand finance. Arrangements have been made for staff training at the end of August covering funding and finance. David Parnell commended the creation of commercial acumen in the wider management team.

3. ACTION LOG

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

It was agreed that the item on cash levels should be marked as complete.

A discussion took place about the potential acquisition of the Haven Wharf site with Claire Foster confirming funding availability. Potential collaborations for development of the site are looking positive and the intention is to have commercial partners involved if the project

proceeds. ESFA have been notified of this potential development. A condition of the funding already offered is that it should be spent or committed by 31 March 2025.

The college would need further funding to develop the site but working up proposals now would create a project ready to go if funding does become available. Claire told members that the building on the site is in good condition. David Earnshaw asked whether refresher surveys were being arranged, particularly in relation to the river wall, and as a first step it was agreed that the site owner should be asked about survey information.

Debbie Holland said that the next step would be to do some business planning and David Earnshaw asked for views on the potential hazards of taking on the site. David Parnell said that the college knows that it needs to grow and acquisition off the site would give it some choices. Claire agreed that this was the right time to review the college's estates portfolio.

The committee agreed that this appears to be an excellent opportunity but the college needs to ensure that it does not create a liability. It was agreed that a paper on this should be brought to the next meeting.

4. MINUTES

The Minutes of the meeting of the committee held on 25 March 2024 were reviewed and approved.

5. FINANCE

Members received reports from the Chief Operating Officer.

a) 2023/24 Update

Members reviewed the accounts to 30 April 2024 and the quarter 3 reforecast position.

The committee noted that Gerry Tawton and David Parnell had already scrutinised the detail of the management accounts. Gavin Booth asked about the shifts in performance and members were advised that there was a deficit at the end of April caused primarily by pending project funding. The possibility of smoothing this by putting through accruals was discussed but it was noted that these were generally only put through at the year end.

Gerry Tawton asked if there was scope for cost savings. It was confirmed that there was less than usual. Cash and EBITDA were noted to be healthy.

b) Draft Budget 2024/25

Members considered the detailed budget proposals for the year ending 31 July 2025 and reviewed in detail the assumptions underpinning the budget.

Provision for the living wage was discussed. It was noted that if these increases continue, they will affect all of the business support pay scales and potentially some of the academic scales.

The committee noted the key performance indicators relating to the proposed budget. It was agreed that the budget should be recommended to the Corporation for approval at its July meeting.

6. FINANCIAL HANDBOOK

Members received a report from the Chief Operating Officer giving an overview of the Financial Handbook and the actions which need to be taken to comply with it.

A discussion took place about the need to clarify reserves and to redefine the cash policy as the college's reserves policy. This will be submitted to the committee for consideration in September. The September meeting will also receive updates on the financial regulations and procurement policy. ●

7. GERRY TAWTON

It was noted that it was Gerry Tawton's last meeting of the committee. Members agreed to record their thanks to Gerry for his diligence and leadership of the committee and support for the executive team which had helped maintain the college in its sound financial position.

Gerry also thanked Debbie and Janet for their support during his period as Chair of the committee.