

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON MONDAY 17 SEPTEMBER 2007

1. PRESENT

Mr P Cropley, Ms S Daley, Mr R Haynes, Mr S McCracken, Mrs P Smith (members of the committee) and Mr A Lascelles (Corporation member).

Also in attendance Mrs J Hemmant (Clerk to the Corporation) and Mr K Tharby (Director of Human Resources).

Apologies for absence were received from Mr C Baron and Mrs L Ladds.

2. CHAIRMAN

Having been duly nominated and seconded Mr McCracken was elected Chairman of the committee for 2007-08.

Mr McCracken in the chair

3. MINUTES

The minutes of the meetings of the committee held on 23 April and 4 June 2007 were reviewed. Committee members were provided with information on numbers of staff employed and the financial performance of the school meals contract which had been raised at the April meeting. It was noted that the school meals contract had educational benefits but was not yet performing against its original business plan. It was agreed that a revised business plan reflecting current performance should be produced.

4. FINANCE REPORT

Members received a report from the Director of Corporate Services on the College's financial performance to the end of June 2007. Additional information was provided on income and expenditure up to the end of the financial year.

Members were advised that funds being carried forward from 2006-07 were reduced from the sum which had been brought forward from 2005-06. A number of particular pressure points which had a bearing on this performance were identified including rising examination fee costs, legal costs and increasing costs of providing for students with learning difficulties and disabilities. A discussion took place about the effects of the volatility of the Train to Gain contract on the College's performance and it was noted that the College was not yet maximising income from Train to Gain. Concern was expressed about the extension of the Train to Gain model of demand led funding into more mainstream activities which would have an

impact on the College's ability to maintain a stable staffing base in the light of uncertain income.

Members agreed the content of their report to the Corporation which identified that the reports submitted were satisfactory. A particular discussion took place about the debt collection report where a debt owed by the Student Loan Company was identified in respect of income which had not been received for the last two years. This did not appear on the debt collection report because the College had been unable to raise an invoice due to the Student Loans Company refusal to accept liability. It was suggested that this should be noted on the debt collection report but that the College should urgently pursue collection of this debt. Members also agreed that the possibility of a voluntary liquidation where the assets could be distributed to members should be examined for Wilcomex Ltd and that the College should review the loan charges being charged on the Halls of Residence and De Montfort refurbishment loans.

5. PROPERTY

Members received a verbal report from the Director of Corporate Services on the latest position in respect of property development. It was noted that emda had approved through Lincolnshire Enterprise a £50,000 grant towards the cost of a further feasibility study which was to be carried out as a matter of urgency. It was noted that both of the College's primary property advisors had left their employers and were therefore not available to advise further on the project. Concern was expressed about the outcomes of an Environment Agency review of flood risk for the area and how that might impact particularly on property values being used for the College's property strategy. It was noted that since the report was due later in 2007 the feasibility study should be able to take the outcomes into consideration.

6. FUNDING AND FRANCHISING

Members received a report from the Principal on funding performance and it was noted that the College had achieved funding within the 3% tolerance allowed by the Learning and Skills Council. A franchise to Anglia Accountancy Training was approved since this would assist with achievement of the student number target for 2007-08.

7. PAY AWARD 2007-08

Members received a report from the Director of Human Resources on options for the calculation of a pay award for 2007-08. Having considered the costs involved members agreed that an overall pay award of 2.75% should be implemented with a minimum uplift for staff of £400 per annum.

8. SOCIO ECONOMIC IMPACT STUDY

Members received a report from the Principal outlining the College's proposal to employ CCbenefits to carry out a Socio Economic Impact Study which would provide valuable information on the College's contribution to the local economy.

This information was felt to be particularly useful in respect of making a case to local authorities in respect of the property developments proposed.

9. NEXT MEETING

It was noted that the next meeting of the committee would take place on Monday 19 November 2007.