

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

Minutes of a Meeting of the Corporation held on Wednesday 6 July 2011 at 5.00pm

Membership:	*	Lynne George	Member	Chairman
	*	George Batho	Member	Vice Chairman
	*	Andrew Bishop	Member	
		Charnah Bradley	Student Member	
	*	Anthony Bravo	Principal	
	*	Charles Cardiff	Member	
	i	Daniel Cremin	Member	
		Julie Churcher	Member	
	i	David Dangana	Member	
		Fran Herbert	Student Member	
	*	Mike Howe	Member	
	*	Lynden Jones	Member	
		Donna Kitchen	Staff Member	
	*	Therese Lawlor	Member	
	*	Gary Livingstone	Member	
		Joanna Miller	Member	
		Rob Munson	Member	
	*	Mary Orsborn	Staff Member	
	*	Liz Stuart	Member	
	*	Pamela Woolgrove	Member	
 Quorum:		8 Members required	12 present at start	Meeting quorate
 In Attendance:	*	Simon Burrell	Clerk to the Corporation	
	*	David Moir	Deputy Principal – Finance & Resources (DPFR)	
	*	Beverley Smith	Deputy Principal – Curriculum & Quality (DPCQ)	
		Abigail Lillington	Student Observer	
	*	Present at meeting		
	i	From Minute 460		

PART 1 – NON CONFIDENTIAL MATTERS

456. APOLOGIES FOR ABSENCE

Julie Churcher, Donna Kitchen, Joanna Miller, Rob Munson.

457. DECLARATION OF INTERESTS

There were no Declaration of Interests made.

458. DETERMINATION OF CORPORATION SIZE

The Clerk advised that the Search Committee had recommended that the size of the Corporation be increased by one to 20, the maximum permitted under the Instrument of Government. This would then allow the Corporation to appoint the two prospective new members that the Search Committee had recommended for appointment.

It was RESOLVED that the size of the Corporation be determined as 20.

(Proposed by Pamela Woolgrove, Seconded by Gary Livingstone)

459. MEMBERSHIP OF THE CORPORATION

1. Daniel Cremin (Member)

The Chairman of the Search Committee advised that the Search Committee had met and interviewed Daniel Cremin. Daniel worked as a Senior Account Manager for Bellenden Ltd and was involved in research consultancy in the public sector, including education and local government. A copy of Daniel's CV was attached for Members information. Members considered the appointment.

It was RESOLVED that Daniel Cremin be appointed to the Corporation for a four year term of office. *(Proposed by Mary Orsborn, Seconded by Pamela Woolgrove)*

2. David Dangana (Member)

The Chairman of the Search Committee advised that the Search Committee had met and interviewed David Dangana. David was the Head of Quality Improvement and Teacher Training at Tower Hamlets College, London. He had previously worked at BCOT as a Lecturer in Animal Care. A copy of David's CV was attached for Members information. Members considered the appointment.

It was RESOLVED that David Dangana be appointed to the Corporation for a four year term of office. *(Proposed by Mary Orsborn, Seconded by Pamela Woolgrove)*

Daniel Cremin and David Dangana joined the meeting and were welcomed to the Corporation.

460. NOTIFICATION OF ANY OTHER BUSINESS

There were no items of Any Other Business notified.

461. MINUTES OF THE PREVIOUS MEETINGS

The Minutes of the meeting held on 6 April 2011 were confirmed as a correct record, and were signed by the Chairman.

462. MATTERS ARISING

There were no Matters Arising discussed not covered elsewhere on the agenda.

463. COMMITTEES OF THE CORPORATION

1. Audit Committee

The unconfirmed Minutes of the meeting held on 15 June 2011 were received and noted.

1. Internal Audit Timetable 2011/12 (Minute 266.3)

A report outlining the proposed internal audit timetable for 2011/12 was received and considered.

It was RESOLVED that the internal audit plan 2011/12, based on 45 days, be agreed. *(Proposed by Pamela Woolgrove, Seconded by Lynden Jones)*

The Chairman of the Audit Committee advised that the Internal Auditors had not delivered fully since their appointment. The Internal Auditor had been delayed in commencing his work as his staff had been required by the College to undergo full CRB checks. At the subsequent meeting of the Audit Committee the Internal Auditor had only submitted one report. In addition, the Internal Auditor had not attended the last meeting of the Audit Committee, with no apology or explanation for his absence available at the time of the meeting. He advised further that a 'stern letter' had been sent to the Internal Auditor and that the Audit Committee would be reviewing the position of the Internal Auditor at its meeting in March 2012.

The Acting Chairman at the last meeting of the Audit Committee highlighted the Committee's concern that a report commissioned by it (Equality & Diversity) had been published within the College and to Members before the Audit Committee had received and considered it.

2. Finance & Resources Committee

The unconfirmed Minutes of the meetings held on 18 May 2011 and 22 June 2011 were received and noted.

1. Management Accounts 2010/11 (Minute 266)

The Chairman of the Committee advised that the original budget for 2010/11 was based on a deficit of -£132k but that the latest end of year forecast for 2010/11 showed an operating surplus of £261k. It was stressed that this figure was subject to final audit.

3. Quality Committee

The unconfirmed Minutes of the meeting held on 8 June 2011 were received and noted.

In the absence of the Chairman of the Committee the DPCQ briefed Members on the outcomes from the meeting. In particular she advised on the introduction of e-ILP and its potential replacement with an 'off the shelf' system. In addition she also advised on the revised lesson observation framework and the introduction of unannounced lesson observations that would be undertaken between October and May each year.

4. Search Committee

The unconfirmed Minutes of the meeting held on 19 May 2011 were received and noted.

1. Committee Membership 2011/12 (Minute 134)

A report was received and considered.

It was RESOLVED that the Committee Membership, as set out in the report, be agreed. (*Proposed by Pamela Woolgrove, Seconded by Gary Livingstone*)

ITEMS FOR DECISION

464. FINANCE MATTERS

1. Budget 2011/12

A report was received and considered. The DPFR took Members through the proposed budget and outlined a number of assumptions that had been made when preparing it. He advised that the budget was made-up as:

	<u>Core Activities</u>	<u>Non-core</u>	<u>Total</u>
Income	£18,007k	£1,665k*	£19,671k*
Pay costs	(£11,343k)	(£223k)	(£11,566k)
Non-pay costs	(£6,203k)	(£1,016k)	(£7,219k)
Extra maintenance costs	(£300k)	N/a	(£300k)
Surplus/(deficit)	£161k	£426k*	£586k*

* The £1k difference is due to 'rounding' of figures

The DPFR informed Members that the whole College budget was based on a slight increase in income, significantly less on pay costs, and significantly more in non-pay costs. He also advised that the income for non-core activities would increase by nearly £1m following the success in achieving an ESF contract for the year.

The DPFR confirmed that a potential pay award of 0.5% had been included within the budget and that a recommendation would be made to the Corporation at its meeting in December 2011, when details of enrolments, the outcome of the national pay negotiations and likely future savings targets would be known.

With regards to capital expenditure, the DPFR advised that a budget of £500k had been proposed as:

IT Equipment	£350k
Other equipment	£50k
Premises projects	£100k

The DPFR also advised that the forecast cash-flow position for 2011/12 would improve from a 'low' of £300k to £900k in March 2012, primarily as a result of the higher surplus for 2010/11 and a 'tighter' budget for 2011/12. He advised further that the balance sheet was good, and that the College would remain in outstanding financial health.

The DPFR highlighted a number of potential risks and opportunities linked to the budget.

2. Financial Forecast 2011/12 – 2013/14

The Financial Forecast for 2011/12 – 2013/14 was received. The DPFR advised that the first year of the Forecast (2011/12) was the same as the proposed budget, with the two following years adjusted according to known assumptions. He advised further that the second year was forecast to show an operating surplus of £476k with the third year showing an operating surplus of £743k.

The DPFR confirmed that the financial forecast for the period showed the balance sheet remaining strong and the cash flow continued to improve.

The DPFR also highlighted that in order to achieve the financial forecast pay costs in 2012/13 would need to reduce by 3% with a further reduction of 2% in 2013/14. He advised that, to date, savings on pay costs of £600k had been included but a further reduction of £200k had yet to be found. A transformation programme had been implemented to identify additional pay cost savings.

3. Consideration and Recommendations

In reviewing the budget proposals members sought clarification from the DPFR on a number of matters.

Members considered the proposed budget and three-year financial forecast.

It was RESOLVED that:

- 1. the budget based on gross income of £19,671k, gross expenditure of £19,085k, generating an operating surplus of £586k be agreed,**
- 2. the Capital budget of £500k be agreed,**
- 3. the Financial Forecast 2011/12-2013/14 be approved for submission to the SFA.**

(Proposed by Lynne George, Seconded by Mike Howe)

4. STEM Capital Project Revised Cost Plan

A report was received and considered. The DPFR advised that there were additional costs associated with the Capital Project that had not been provided-for in the original budget. He advised further that the bulk of the costs were for the provision of temporary accommodation. The original scheme had been based on the continued occupation of the building during the period of the works, however in order to create less disruption for learners and to allow greater opportunities for the Contractor if the building was vacated during the life of the project temporary accommodation would be required, costed at £320k.

In addition, the DPFR informed members that he had been strongly advised to undertake further value engineering options at this stage in the programme rather than to only undertake part of the works based on a 'false-economy' principle, an additional net cost of £15k.

The DPFR advised further that it would also be more appropriate to re-locate the science labs into the new STEM building, at a cost of £70k.

The Chairman of the Corporation advised that the Finance & Resources Committee had considered these matters at their last meeting and discussed the options of undertaking the additional works, or leaving them out. However, the Committee had recommended that they should be agreed as it would be a false-economy not to undertake them at this stage of the project and would cost much more at a later date.

It was also noted that the internal audit plan for 2011/12 included a review of project management arrangements and post-project reviews.

The DPFR also requested that the Corporation consider allocating an additional sum not greater than £100k in order to cover additional costs associated with the replacement of all pipework, and would be subject to delegated approval from the Chairman and the Vice Chairman of the Corporation before commitment.

Members considered the report.

It was RESOLVED that:

- 1. the additional costs of £405k (temporary accommodation £320k, value engineering £15k, and science labs £70k) be agreed,**
- 2. a maximum of £100k be agreed, subject to delegated approval from the Chairman and the Vice Chairman of the Corporation for additional costs related to the replacement of pipework.**

(Proposed by Mike Howe, Seconded by Charles Cardiff)

464. QUALITY STRATEGY

A report was received and considered. The DPCQ advised that the Quality Strategy set the overarching principles and procedures for all quality matters. The Quality Strategy had been received and considered by the Quality Committee, and that their comments had been included in it. She advised further that there were some additional elements due to be included in the final version.

The DPCQ outlined the structure of the Quality Strategy and the processes that would be put in place to achieve it.

It was RESOLVED that the Quality Strategy be agreed.

(Proposed by George Batho, Seconded by David Dangana)

466. RISK MANAGEMENT UPDATE

A report was received and considered. The DPFR took Members through the report and highlighted a number of changes that had been made to the 'scoring' of risks. He advised that two risks had been increased to very high risk scores, three others had been assessed as increasing since the last review, and two new risks added.

It was RESOLVED that the amendments to the Risk Register be agreed.

(Proposed by Lynne George, Seconded by Gary Livingstone)

ITEMS FOR INFORMATION AND NOTING

467. MEMBERS EXPENSES/REMUNERATION

A written report was received for information. The Clerk reminded all Members that they were entitled to receive appropriate travel and subsistence expenses in relation to attendance at Corporation functions, but they could not be paid for any services undertaken for the College.

468. PRINCIPAL'S REPORT

The Principal highlighted outcomes from the Staff Survey and Student Survey, details of which had been circulated recently to Members. He advised that the results of the Student Survey were the highest ever received, and were above national benchmarks.

With regards to the Staff Survey, he advised that the results were also the highest ever received, but were one percentage point below the national benchmarks. He stressed that there were some

'tensions' within the College, mainly related to term time holidays and lesson observations. He advised further that the Staff Survey would be discussed in detail at the next Finance & Resources Committee meeting [28 November 2011] and that all Members were invited to attend it if they so wished.

The Principal also advised that the biggest negative result was that the staff did not like the SMT as much, being five percentage points below last year's figure. He also expressed his surprise that despite a lot of additional work having been undertaken on it throughout the year communications were still not perceived as being good enough.

Mary Orsborn (Staff Member) suggested that those Members who had curriculum links should review their specific departmental results and, where they are below benchmarks, ask questions as to why that is the case. The Principal also confirmed that he would be visiting each department and going through their results with the staff concerned.

469. CORPORATION CHAMPION AND DEPARTMENTAL LINKS

A verbal report was received from:

Lynden Jones	Safeguarding
Charles Cardiff	Ambition and Priority

A written briefing report was received from:

Charles Cardiff	Hair, Holistic and Beauty Therapy
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470. ANY OTHER BUSINESS

There were no items of Any Other Business discussed.

471. DATES OF FUTURE MEETINGS

[All meetings commence at 5.00pm unless otherwise stated]

Wednesday 13 July 2011	Development Day (12.30pm)
Wednesday 19 October 2011	
Wednesday 14 December 2011	

A Schedule of Meeting Dates for 2011/12 was received and noted.