

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

Minutes of a Meeting held on Wednesday 13 May 2009 at 5.00pm

Membership:	<ul style="list-style-type: none"> * Lynne George * Judith Armstrong * George Batho * Mike Howe * Mike Rushworth Chris Turner 	<ul style="list-style-type: none"> Member Principal Member Member Member Member 	<ul style="list-style-type: none"> Chairman
Quorum:	3 Members required	5 present, meeting quorate	
In Attendance:	<ul style="list-style-type: none"> * Bill Blythe * Simon Burrell * David Moir Pete Phillips 	<ul style="list-style-type: none"> Head of Finance (HOF) Clerk to the Corporation (Clerk) Deputy Principal Finance & Resources (DPFR) Deputy Principal Curriculum & Quality (DPCQ) 	
	<ul style="list-style-type: none"> * Present at meeting 		

PART 1 – NON CONFIDENTIAL MINUTES

145. APOLOGIES FOR ABSENCE

Chris Turner, Pete Phillips (Deputy Principal Curriculum & Quality).

146. DECLARATIONS OF INTEREST

There were no declarations of interest made.

147. NOTIFICATION OF ANY OTHER BUSINESS

There were no items of Any Other Business notified.

148. MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 18 March 2009 were confirmed as a correct record and were signed by the Chairman.

149. MATTERS ARISING

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

150. MANAGEMENT ACCOUNTS 2008/09

The Management Accounts for the period to 31 March 2009 were received and noted. The HOF advised that he had undertaken a major re-forecasting of the accounts, and was now predicting that the end of year forecast would show an increased operating surplus of £552k, less exceptional costs of £130k (closure of Chineham Learning Centre and recruitment of Principal and Deputy Principal). He advised further that the in-year costs of the property strategy (£430k) would also be shown in the final accounts, giving an end of year deficit of -£8k.

The DPFR gave Members a presentation outlining the main reasons behind the increased operating surplus – increased Train to Gain, and lower curriculum costs. He also stressed that fee income was 'struggling' and unlikely to reach target, and that the contribution from the Business Unit was low. He also advised that non-core activities were currently making a higher contribution to the surplus than were core activities.

The DPFR and HOF took Members through the revised forecast and updated then on a range of financial matters. It was noted that the revised forecast creating a surplus of £552k included an additional £100k in non-pay for a number of estates matters that required urgent attention.

The DPFR further highlighted the lower than anticipated contribution (9.2%) from the Business Unit. He stressed that he expected it to be nearer to 25%, noting that the majority of their activities were undertaken at employers' workplaces.

The HOF advised further that the overall position of the accounts was similar to the same period in the previous financial year. In addition, he advised that the financial performance indicators were all 'strong' with good cash days in hand, an operating surplus of 6%, and good cash reserves. It was noted that staff costs as a % of income were rising slightly month on month and were currently at 60.1%.

In considering the accounts, Members raised their concerns that any reduction in the curriculum spend could have an adverse impact on quality matters. The DPFR advised that this was a potential concern, but that he continued to be actively involved in discussions with Directors of Curriculum to ensure that budget allocations were sufficient to enable high quality delivery to take place.

The report was noted.

151. PROVISIONAL FUNDING ALLOCATION 2009/10

A written report was received and considered. The DPFR made a presentation outlining anticipated funding allocations for 2009/10. He stressed that some figures shown were subject to confirmation by appropriate funding bodies etc.

He highlighted some significant changes to funding allocations including:

Additional funding for 16-18 year olds	+£481k
Reduction in Train to Gain	-£553k
Reduction in Work Based Learning	-£240k

The DPFR advised that work on the 2009/10 budget was continuing. The aim was to achieve a 2% operating surplus from core college activity, which would then be supplemented with expected contributions from third-party delivery and projects.

The report was noted.

152. PROCUREMENT UPDATE

A written report was received and noted. The HOF updated Members on the progress of the procurement service. He advised that, to date, savings for 2008/09 of £45k had been made, and that the full-year effects of these particular savings would be £91k in 2009/10. Savings for 2010/11 were currently targeted at £171k. The HOF confirmed that the total savings for the duration of the contract with Tenet were £331k. He advised further that 'soft' savings (staff time etc) had not yet been quantified, but would be included in future reports. **ACTION: HOF**

153. PARTNERSHIP PROVISION

A written report was received and considered.

1. NCMA Provision

The Principal advised on the requirement for the NCMA programme to be accredited on the Qualification Credit Framework in order for it to receive LSC funding. This situation would have to be resolved if the contract with the NCMA was to operate in 2009-10. Both the College and the NCMA were endeavouring to progress this recognition. .

2. Partnership Activities Entered Into By The Business Unit

The DPFR highlighted the current operating position in respect of the four contracts agreed by the Corporation. He stressed that one contract (Keizai) would not continue in the next academic year.

The report was noted.

154. PERSONNEL MATTERS

A written report was received. The Principal updated Members on a number of personnel related matters. She also advised that the recruitment process for the Director of Human Resources (now re-designated as a senior management team post – previously known as the Head of Personnel) was well advanced with interviews planned for 11 June 2009.

The report was noted.

155. ESTATES MATTERS

There were no estates matters discussed. The DPFR highlighted that an additional £100k had been included in the current year's accounts that would enable the college to address some urgent estates related work that would be undertaken before the end of July 2009. He also advised that the Head of Facilities & Estates had decided to retire and that the recruitment process for his replacement had commenced.

156. ANY OTHER BUSINESS

There were no items of Any Other Business discussed.

157. DATE AND TIME OF FUTURE MEETINGS

(All meetings commence at 5.00pm unless otherwise stated)

- Tuesday 30 June 2009
- Wednesday 2 December 2009
- Wednesday 10 March 2010
- Wednesday 19 May 2010
- Wednesday 23 June 2010

(Meeting closed at 7.10pm)

Confirmed as a correct record

Signed:..... Date:.....