

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 22 MARCH 2017

Membership (7):	*	Mike Howe	External Member	Chair
	*	George Batho	External Member	
	*	Anthony Bravo	Principal	
	*	Lynne George	External Member	Vice Chair
	*	Gary Livingstone	External Member	
		Vacancy (MBS)	External Member	
		Vacancy (PW <i>i</i>)	External Member	
Quorum:		3 required	5 present, meeting quorate	
In Attendance:	*	Mark Bonnett	Finance Manager (FM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
	*	Malcolm Quiney	HR Manager (HR)	
Present at Meeting:	*			

PART 1 – NON-CONFIDENTIAL MINUTES

(5.00pm)		ACTION
633.	APOLOGIES FOR ABSENCE None received.	
634.	DECLARATION OF INTERESTS The DPFR declared an interest in Agenda Item 20, Local Government Pension Scheme.	
635.	NOTIFICATION OF ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business notified.	
636.	MINUTES OF THE PREVIOUS MEETING The Minutes of the meeting held on 23 November 2016 were confirmed as a correct record, and were signed by the Chair.	
637.	MATTERS ARISING 1. Art and Design Overspend (Minute 628) A written report was received and noted. The DPFR advised that the overspend of £37k had been caused by a combination of higher than anticipated tenders, and the	

<p>637. (cont)</p>	<p>omission of architects and QS fees from the original costings. He confirmed that the contingency had also been used in full. In response to a question from a Member he advised that a key lesson learnt was to use the QS adviser at an earlier stage in the planning process, before tenders were invited.</p>	
<p>638. 5.06pm)</p>	<p>HR ACTIVITIES AND PRIORITIES</p> <p>A written report was received for information. The HR took Members through the report. He advised that sickness levels had reduced in the last quarter. However, in response to a question, he was unable to confirm whether this was a result of the smaller establishment (workforce) employed at the College. He was requested to show future levels of sickness as an average per employee.</p> <p>The HR advised further on the rechecking of all existing staff where their DBS certificates were more than three years old. He was reminded to include Members of the corporation in the rechecking process.</p> <p>With regards to Performance and Development Reviews (PDRs) the Ctte was disappointed to note a significant dip in the completion rate. The Principal advised that the completion of PDRs had not been as focused as it should have been owing to a range of other pressures placed on staff. He confirmed that all PDRs would be completed by the end of the current academic year. In response to a question from a Member the HR advised that an annual PDR was undertaken at the end of each academic year, with interim PDRs undertaken on a termly basis. He confirmed that those staff who had not had a PDR during December 2016 would have one undertaken by Easter 2017.</p> <p><i>(The HR left the meeting)</i></p>	<p>HR</p>
<p>639. (5.24pm)</p>	<p>MANAGEMENT ACCOUNTS 2016/17</p> <p>The Management Accounts for the period to February 2017 were received and noted. The DPFR advised that the revised forecast end of year position was for a surplus of £248k (budget surplus of £100K), and was primarily a result of cost savings achieved during the year. He stressed that the level of funding would reduce in 2017/18 based on the decline of student numbers in 2016/17.</p> <p>In response to a question from a Member with regards to the Future Skills Centre in Bordon, the DPFR advised that it was not now anticipated to operate in surplus until 2018/19, as lagged funding had not been factored-in at the planning process.</p> <p>The DPFR advised that apprenticeship provision was progressing well and confirmed that additional funding from the SFA had been approved.</p> <p>With regards to student applications for 2017/18 the DPFR advised that these had been 20% below the previous year but had improved over the last three-week period to 17% below following a major marketing campaign. In response to a question from a Member he advised that the downturn was a result of a decline in local demographics and reduced market share following greater competition from other providers.</p> <p>The Principal highlighted a large overspend in the use of agency staff. He advised that this was due to difficulties in recruiting full time staff, sickness cover, and the need to ensure classes were covered by teaching staff.</p> <p>In reviewing the financial performance indicators, the DPFR advised that the majority were 'green', cash-flow was healthy and the balance sheet strong.</p>	

<p>640. (5.41pm)</p>	<p>PARTNERSHIP PROVISION</p> <p>1. Update on Current Provision</p> <p>A written report was received and considered. The DPFR updated the Ctte on provision by the two current College partners. He confirmed that the Skills Funding Agency had approved the College's request to increase the apprenticeship allocation for 2016/17. As a result of the additional funding, it was proposed to increase the contract with Smarter Training to £300k, and to increase the existing contract with LEAD by £210k, giving them a total contract value for the year of £1,157k.</p> <p>The DPFR outlined a potential new contract with Progressive Technologies, a local engineering company, who were requesting a partnership between Newbury College and BCoT to deliver training for apprentices. He advised that approval was sought to approve a small contract of up to £15k with Newbury College, subject to satisfactory due diligence.</p> <p>It was RESOLVED that:</p> <ol style="list-style-type: none"> 1. The current position with the College's contracts and partners be noted, 2. An increase in the contract value for Smarter Training to £300k and LEAD to £1,157k be agreed, 3. Newbury College be approved as a sub-contracting partner, with a contract of up to £15k, subject to successful due diligence. <i>(Proposed by Lynne George, Seconded by George Batho)</i> <p>2. Learning Curve Group</p> <p>A written report was received and considered. The DPFR advised that the due diligence process had been completed satisfactorily and that a contract of £100k had been issued to Learning Curve Group.</p> <p>The DPFR advised further that Learning Curve Group might be able to generate enrolments in excess of £100k. To avoid any unnecessary delay in this circumstance he sought the Cttes approval to increase the contract by up to a further £100k, subject to Learning Curve Group achieving stringent quality measures.</p> <p>It was RESOLVED to increase the contract with Learning Curve Group by a further £100k be agreed. <i>(Proposed by Gary Livingstone, Seconded by Mike Howe)</i></p>	
<p>641. (5.51pm)</p>	<p>FINANCIAL PERFORMANCE INDICATORS</p> <p>A written report was received and considered. The DPFR advised that he had reviewed the existing KPIs and was proposing a new set of indicators for future use, as outlined in his report. He advised further that, if approved, the next stage would be to calculate each measure and present them in graphical format, with red/amber/green annotation. He also proposed that the revised indicators would be reported monthly in the management accounts.</p> <p>It was RESOLVED that the proposed revised financial performance indicators be agreed. <i>(Proposed by Lynne George, Seconded by George Batho)</i></p>	
<p>642. (6.02pm)</p>	<p>SFA FINANCIAL HEALTH</p> <p>A written report was received for information. The DPFR advised that the SFA had confirmed the College's own assessment that the financial health for 2015/16 was 'outstanding'. The Clerk was requested to circulate a copy of the SFA letter to all Members of the Corporation.</p>	<p>Clerk</p>

<p>643. (6.03pm)</p>	<p>BANK MANDATE</p> <p>A written report was received and considered. The DPFR highlighted proposed changes to the bank mandates following recent staffing changes.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that:</p> <ol style="list-style-type: none"> 1. Sarah Wright and Sarah Meeson be removed from the bank mandates, 2. Mark Bonnett (Finance Manager), Lorraine Heath (Deputy Principal) and Mark Hillman (Deputy Principal) be added to the bank mandates, 3. Anthony Bravo (Principal) and David Moir (Deputy Principal) be maintained as authorised signatories, 4. All such authorisations to include any specific accounts, deposit bonds or other sub-accounts as may be operated by the banks and/or groups, 5. The Barclays Bank plc Appointment of Bankers (Mandate Form) be signed by two Members of the Corporation. <p><i>(Proposed by Gary Livingstone, Seconded by George Batho)</i></p>	
<p>644. (6.07pm)</p>	<p>TERRORISM INSURANCE COVER</p> <p>A written report was received and considered. The DPFR advised that the College had always included terrorism cover as a part of its overall insurance portfolio. However, over the past few years the cost of buying this cover had increased considerably, and that an increasing number of colleges across the country had opted not to renew cover. He advised further that the cost for 2016/17 was £7,614.</p> <p>In reviewing the matter the Ctte asked for the definition of ‘terrorism’ to be clarified, and the level of cover to be identified.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the Corporation consider the matter.</p> <p><i>(Proposed by Mike Howe, Seconded by Lynne George)</i></p>	<p>DPFR</p>
<p>645. (6.10pm)</p>	<p>ESTATES UPDATE</p> <p>A written report was received for information. The DPFR took Members through the report and updated them on progress on a range of matters. In particular:</p> <ol style="list-style-type: none"> 1. Window Barriers in F Block <p>It was noted that these had now been installed.</p> <ol style="list-style-type: none"> 2. Heating & Cooling Project: F Block <p>The DPFR highlighted a number of issues relating, primarily, to the software for the system. He was holding-back over £50k in payment until the system was working correctly.</p> <ol style="list-style-type: none"> 3. Work Based University Centre <p>Work remained on hold waiting for updates from the LEP on funding.</p> <ol style="list-style-type: none"> 4. Construction Block Project <p>Completed. The Ctte requested a site visit to the Construction Block prior to the next meeting.</p>	<p>Clerk</p>

645. (cont)	5. Future Skills Centre, Bordon The DPFR confirmed that the formal lease with HCC had still not been signed. In response to a question from a Member he confirmed that he was satisfied with the proposed lease agreement, and that HCC had included the additional break-clause after three years.	
646. (6.19pm)	IT SERVICES REPORT A written report was received for information and noted.	
647.	ANY OTHER URGENT BUSINESS 1. Staff Surveys The Chair of the Ctte reminded Members that, at the last meeting, the HR advised that a revised format for the staff surveys was under consideration. He requested that an update on progress be made at the next meeting of the Ctte.	HR
648.	DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i> Monday 14 May 2017 Wednesday 21 June 2017	
(6.20pm)	Part 1 Meeting closed	