

# BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

*Owing to the national emergency restrictions imposed by HM Government because of the global Covid 19 pandemic this meeting was held by video conference*

## FINANCE & RESOURCES COMMITTEE

### MINUTES OF A MEETING HELD ON THURSDAY 26 NOVEMBER 2020

<b>Membership (7):</b>	*	George Batho	External Member	
	*	Anthony Bravo	Principal	
	*	Kevin Croombs	External Member	
	*	Greg Devereux-Cooke	Staff Member	
	*	Mike Howe	External Member	Vice Chair
	*	Dave Murray	External Member	
		Colin Willoughby	External Member	
<b>Quorum:</b>		3 required	6 present	Meeting quorate
<b>In Attendance:</b>	*	Mark Bonnett	Finance Manager (FM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	Lorraine Heath	Deputy Principal: Business (DPB)	
	*	David Moir	Deputy Principal: Finance & Resources (DPFR)	
	i	Malcolm Quiney	Head of HR (HHR)	
<b>Present at Meeting:</b>	*			
<b>Minute 836 only:</b>	i			

### PART 1 - NON-CONFIDENTIAL MINUTES

(5.00pm)		<b>ACTION</b>
<b>830.</b>	<b>CHAIR OF THE MEETING</b>  The Vice Chair took the Chair for the meeting.	
<b>831.</b>	<b>APOLOGIES FOR ABSENCE</b>  Colin Willoughby.	
<b>832.</b>	<b>DECLARATION OF INTERESTS</b>  There were no declarations of interest made.	
<b>833.</b>	<b>NOTIFICATION OF ANY OTHER URGENT BUSINESS</b>  There were no items of any other urgent business notified.	

<b>834</b>	<b>MINUTES OF THE PREVIOUS MEETING</b>	
	The Minutes of the meeting held on 21 July 2020 were confirmed as a correct record, and would be signed by the Chair when the national restrictions allowed.	
<b>835.</b>	<b>MATTERS ARISING</b>	
	There were no Matters Arising considered that were not due to be discussed elsewhere at the meeting.	
<b>836.</b> (5.04-5.15pm)	<b>HR ACTIVITY REPORT</b>  A written report was received for information and noted. The HHR advised that, overall, staffing levels at the College had reduced further, and that staff turnover in 2019/20 had increased. In response to a question from a Member the HHR referred Members to a table in his report outlining the broad reasons why people resigned from their posts. In response to a further question the Principal advised that this reduction was primarily as a result of fewer fractional staff being employed. It was also noted that the College was a smaller operation than in the past, with income levels falling from c£20m to c£15m in the past 10 years.  The HHR advised further that 96.5% of the Performance and Development Reviews had been completed by July 2020. In addition, the Staff Survey responses had been very good. He was especially pleased with the continuing improvements in the results for communications (82.35% deemed it good) and with job satisfaction (89.61% deemed it good).  It was noted that the two potential employment tribunals had both been withdrawn.  The HHR advised that staff had reacted very well to the revised arrangements implemented because of the Covid-19 pandemic, and that staff generally felt safe in their working environment.	
<b>837.</b> (6.11pm)	<b>MANAGEMENT ACCOUNTS 2020/21</b>  The Management Accounts to October 2020 were received for information and noted. The DPFR advised that the 2020/21 budget had been agreed as an operating deficit of £599k with positive cash generation before capital spend of £1,259. The forecast outturn has been updated to an operating deficit of £669k with positive cash generation before capital of £1,189k. He advised further that since the budget had been set the College has been allocated additional funds, including 16- 18 catch-up funding (£200k), building condition improvement grant (£571k), and had also been notified of a successful LEP IT capital allocation of £482k. He also outlined a number of subsequent changes to forecasts, as set out in the Management Accounts.  The DPFR was pleased to advise that apprenticeship income had increased above that budgeted as Aspiral had enrolled a number of additional apprentices during the lockdown period.  With regards to WBTC the DPFR advised that they were anticipating to achieve a breakeven position during the year, compared to an approved budget deficit of £44k.	
<b>838.</b> (6.17pm)	<b>FINANCIAL STATEMENTS AND FINANCIAL OUTCOME 2019/20</b>  Written reports were received and considered. The FM advised that the Financial Statements had been prepared on a group basis and showed the results of both the College and the Group. He advised further that the audit had been conducted	

<p><b>838.</b> <b>(cont)</b></p>	<p>remotely by Alliotts, and that it had taken place remotely across a number of weeks. This had presented a significant challenge for both the audit and finance teams. However, it did not impact on the depth and quality of the audit.</p> <p>The FM advised further that Alliotts had issued their final Management Report and that it had been presented to Audit Committee on 25 November 2020. He stressed that there were no matters of note to advise the Committee and that Alliotts had issued a 'clean' opinion. He also advised that Alliotts were also conducting the audit of WBTC. However, this work was ongoing and would be concluded prior to the ESFA submission deadline of 31 January 2021. The Principal stressed that the delay in the WBTC accounts was related to capacity issues in their (WBTC) finance team.</p> <p>The FM stated that the Group accounts reported that the deficit of £336k was very similar to the forecast deficit of £318k. There was, though, a large increase in the pension liability of £6.2m shown in the accounts. This figure had been provided by the actuary, and the large increases had been mirrored across the FE Sector.</p> <p><b>It was RESOLVED to RECOMMEND to the CORPORATION that the BCoT Group Financial Statements 2019/20 based on a deficit of £336k be agreed.</b> (Proposed by George Batho, Seconded by Kevin Croombs)</p>	
<p><b>839.</b> (6.26pm)</p>	<p><b>FINANCIAL REGULATIONS: PROCUREMENT ROUTES AND LIMITS</b></p> <p>A written report was received and considered. The FM advised that the procurement limits in the Financial Regulations needed to be amended to ensure that they were fit for purpose and gave some flexibility. He outlined the proposed changes to the regulations.</p> <p>The Ctte raised a number of questions regarding the operation of the new financial levels.</p> <p>It was agreed that the FM would re-evaluate the levels and would circulate (by email) a revised draft to the Ctte seeking their agreement to propose the changes to the Corporation.</p>	<p><b>Finance Manager</b></p>
<p><b>840.</b> (6.45pm)</p>	<p><b>ESFA COVID-19 RETURN: NOVEMBER 2020</b></p> <p>A written report was received for information and noted. The DPFR advised that the ESFA had requested an additional return from colleges to assess the impact of Covid-19 and to reflect September 2020 enrolments. The return made in July 2020 was based on the budget for 2020/21 but due to the considerable uncertainty caused by Covid-19 this extra return had been requested.</p> <p>The DPFR advised further that the return was not required to be approved by the Corporation. All of the information contained in it was consistent with the October 2020 Management Accounts report.</p>	
<p><b>841.</b> (6.53pm)</p>	<p><b>PARTNERSHIP PROVISION</b></p> <p>A written report was received and considered. The DPCPI updated the Ctte on the progress of the contracts with Eastleigh College, Learning Curve and Treloar Trust. It was noted that the contract with Eastleigh College was due to end in December 2020.</p> <p>With regards to the contract with WBTC the DPCPI highlighted the need to consider an increase in the contract value from £20k to £100k in order that WBTC could increase enrolments, particularly in functional skills English and maths.</p> <p>The DPCPI did, though, highlight a dicotomy for the College in that whilst it was the College's mission and values to provide for disadvantaged people entering the</p>	

<b>841. (cont)</b>	<p>workplace, there was a potential that negative achievement could impact on the overall headline data for the College by a c1% point decline.</p> <p>The Principal re-iterated the dilemma the College faced vis-à-vis data versus provision. He re-stressed the mission and values of the College. The Ctte noted the situation but concluded that there was a moral obligation to do what it could, and that the College was knowingly doing something that could have a negative impact on College data. The Principal stressed that the College would continually monitor the situation.</p> <p><b>It was RESOLVED that the contract value with WBTC be increased to £100k.</b> (Proposed by Mike Howe, Seconded by George Batho)</p>	
<b>842. (7.00pm)</b>	<p><b>ESTATES UPDATE</b></p> <p>A written report was received for information and noted. The DPFR highlighted the amount of activities undertaken by the Estates &amp; Facilities Team, and praised them for their achievements to protect the staff and students in respect of the Covid-19 pandemic.</p>	
<b>843.</b>	<p><b>ANY OTHER URGENT BUSINESS</b></p> <p>There were no items of Any Other Urgent Business discussed.</p>	
<b>844.</b>	<p><b>DATES OF FUTURE MEETINGS</b> <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wednesday 20 Jan 2021 (If required)  Wednesday 10 Mar 2021  TBA TBA May 2021  Wednesday 23 Jun 2021</p>	
<b>(7.02pm)</b>	Meeting closed	

Confirmed as a correct record:		10 March 2021
--------------------------------	--	---------------