

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

Owing to the emergency restrictions imposed by HM Government because of the global Covid-19 pandemic this meeting included Members being present via video conferencing

CORPORATION

MINUTES OF A MEETING HELD ON WEDNESDAY 29 JULY 2020

Membership:	1.	*	Mike Howe	External Member	Chair
	2.	*	George Batho	External Member	
	3.	*	Anthony Bravo	Principal	
	4.	v	Charles Cardiff	External Member	
	5.	*	Terry Clarke	Staff Member	
	6.		Greg Devereux-Cooke	Staff Member	
	7.		Holly Keast	Student Member	
	8.	*	Steve Fussey	External Member	Vice Chair
	9.	*	Lynne George	External Member	
	10.	v	Beryl Huntingdon	External Member	
	11.		Nicole Martin	External Member	
	12.	*	Anne Millar	External Member	
	13.	v	Chris Moore	External Member	
	14.	*	Dave Murray	External Member	
	15.	*	Martin Slatford	External Member	
	16.	v	Colin Willoughby	External Member	
	17.		Pamela Woolgrove	External Member	
	18.		Vacancy (TS)	External Member	
	19.		Vacancy (JH)	External Member	
	20.		Vacancy (MW)	External Member	
Quorum:			8 required	13 present	Meeting quorate
In Attendance:	*	Simon Burrell	Clerk to the Corporation (Clerk)		
	*	Lorraine Heath	Deputy Principal (DPCPI)		
	*	David Moir	Deputy Principal (DPFR)		
Present at meeting:	*				
Present via video link:	v				

PART 1 – NON-CONFIDENTIAL MINUTES

(4.34pm)		ACTION
	<i>[The Clerk took the Chair for the following items]</i>	
1063.	ELECTION OF CHAIR OF THE CORPORATION	
	The Clerk advised that the Term of Office for the Chair of the Corporation had expired. He called for nominations. One nomination was received.	

1063. (cont)	It was RESOLVED that Mike Howe be elected Chair of the Corporation for a two-year term of office commencing 29 July 2020. (Proposed by Anne Millar, Seconded by George Batho)	
1064.	ELECTION OF VICE-CHAIR OF THE CORPORATION The Clerk advised that the Term of Office for the Vice-Chair of the Corporation had expired. He called for nominations. One nomination was received. It was RESOLVED that Steve Fussey be elected Vice Chair of the Corporation for a two-year term of office commencing 29 July 2020. (Proposed by Chris Moore, Seconded by Lynne George)	
	<i>[Mike Howe (Chair) took the Chair]</i>	
1065.	APOLOGIES FOR ABSENCE Greg Devereux-Cooke, Nicole Martin, Pamela Woolgrove.	
1066.	DECLARATION OF INTERESTS Anthony Bravo, Steve Fussey, Anne Millar and Chris Moore declared an interest in Agenda Item 20: WBTC Update. The Principal, the Staff Member and the Deputy Principals declared an interest regarding the pay award proposals contained in the Budget 2020/21 report, Agenda Item 15.	
1067.	NOTIFICATION OF ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business notified.	
1068.	MINUTES OF THE PREVIOUS MEETING The Minutes of the Meeting held on 26 February 2020 were confirmed as a correct record and were signed by the Chair.	
1069.	MATTERS ARISING FROM THE MINUTES There were no Matters Arising from the Minutes considered that were not due to be discussed elsewhere at the meeting.	

COMMITTEES OF THE CORPORATION

	COMMITTEES OF THE CORPORATION	
1070. (4.38pm)	Audit Committee The unconfirmed Minutes of the meeting of the Audit Committee held on 10 June 2020 were received and noted. Matters Arising from the Minutes: 1. Internal Audit Plan 2020/21 (Minute 677) The Internal Audit Plan 2020/21 was received. It was RESOLVED that the Internal Audit Plan 2020/21, based on 35 days, be agreed. (Proposed by Charles Cardiff, Seconded by Beryl Huntingdon)	

<p>1071.</p>	<p>Curriculum & Quality Committee</p> <p>The unconfirmed Minutes of the meetings of the Curriculum & Quality Committee held on 28 January 2020 and 11 June 2020 were received and noted.</p> <p>Matters Arising from the Minutes:</p> <p>1. Quality Strategy 2019-24 (Minute 637)</p> <p>A written report was received and considered.</p> <p>It was RESOLVED that the Quality Strategy 2020/21 be agreed. (Proposed by George Batho, Seconded by Anne Millar)</p> <p>The Chair of the Ctte advised that the College had taken part in a pilot investigation on e-learning. He was pleased to report that the feedback had been very positive.</p> <p>The Chair of the Corporation advised that despite it being a very challenging time for all concerned, he expressed his thanks to the College Management Team for all that they had achieved, especially during the Covid-19 pandemic restrictions, and stressed that they were a credit to the College.</p>	
<p>1072.</p>	<p>Finance & Resources Committee</p> <p>The unconfirmed Minutes of the meetings held on 12 February 2020, 13 May 2020 and 21 July 2020 were received and noted.</p> <p>Matters Arising from the Minutes:</p> <p>1. Bank Mandate (Minute 798)</p> <p>It was RESOLVED that the bank mandate with Barclays Bank be amended to:</p> <p>1. Remove from existing bank mandates: Mark Hillman - Deputy Principal (CPI)</p> <p>2. Maintain as authorised signatories to the bank mandates: Anthony Bravo - Principal David Moir - Deputy Principal (F&R) Lorraine Heath - Deputy Principal (CPI) Mark Bonnett - Finance Manager</p> <p>All such authorisations to include any specific accounts, deposit bonds or other sub-accounts as may be operated by these banks and/or groups. (Proposed by Lynne George, Seconded by Martin Slatford)</p>	
<p>1073.</p>	<p>Search Committee</p> <p>The unconfirmed Minutes of the meeting of the Audit Committee held on 10 June 2020 were received and noted.</p> <p>Matters Arising from the Minutes:</p> <p>1. Committee Membership 2020/21 (Minute 285)</p> <p>Committee Membership for 2020/21 was noted.</p>	

ITEMS FOR APPROVAL

(4.54pm)		ACTION
1074.	<p>Financial Plan and Budget Report 2020/21</p> <p>Written reports were received and considered. In presenting the budget report the DPFR advised that 2019/20 had been a good year for the BCoT group. The College had achieved a significant increase in its full-time 16- 18 students. In the short-term this had put some pressure on costs, but the College had maintained an acceptable position throughout the year that had subsequently improved towards the year-end, and was now expected to outturn slightly ahead of the original budget.</p> <p>The DPFR advised further that the Covid-19 pandemic had impacted on operations, but finances for 2019/20 had, overall, not been adversely impacted. This was because the College had been able to continue operating all existing courses on-line, and finances had been secured by funding guarantees received from HM Government.</p> <p>The DPFR stressed that the position for 2020/21 was more challenging due to an expected 30% decline in apprenticeship starts and the general level of uncertainty around enrolments in all areas of activity. He had proposed a deficit budget of -£599k after pension adjustments (deficit of -£120k before pension adjustments). However, he advised that this would be reviewed in September 2020 in the light of enrolments.</p> <p>WBTC had undertaken a review of its business and had rationalised management posts and staff positions to bring costs in line with income. The forecast outturn result for 2019/20 was for a surplus of £26k, that exceeded expectations and was a significant improvement on the forecast position at the mid-year point. The company was, though, also concerned about declining apprenticeship enrolments due to Covid-19 and had set a deficit budget of £44k for 2021/21.</p> <p>The BCoT Group held a healthy level of cash reserves, expected to be £7.2m at 31 July 2020, rising to £7.8m at 31 July 2021.</p> <p>The DPFR outlined the College's plans for the resumption of 'normal' activities from September 2020 and stressed the difficulties should there be a resurgence of Covid-19. He anticipated that Covid-19 would have a significant adverse financial impact on the College during 2020/21 of -£519k.</p> <p>Reviewing the six financial performance measures, it was noted that four were graded 'excellent', one 'good', and one 'critical' (operating surplus as a % of income: less the 3%).</p> <p>The DPFR informed the Corporation that after a deficit in 2019/20 the expectation and plan had been for the College to return to break-even or a small surplus in 2020/21. However, there were four principal reasons why the budget continued to be a deficit for 2020/21 next year:</p> <ol style="list-style-type: none"> 1. The impact of Covid-19 had worsened the position by £519k but it was anticipated to be a temporary impact and it was reasonable to think that this would reverse in future years, with the exception of interest rates that were likely to remain low for some considerable time. 2. Expenditure had increased at a higher level than expected. Decisions taken during 2019/20 had increased costs by around £100k more than anticipated. These costs were in the curriculum delivery and support area. 3. Lagged income: the plan for 2020/21 delivered £209k of unfunded income. The actual figure would depend on enrolments in September, but if the plan was achieved this work would be funded in 2021/22. 4. Depreciation: the large capital programme in 2019/20 had resulted in an increased depreciation charge (net of capital grant release) of £106k <p>It was noted that the ESFA financial health score for the College would reduce to 270, and when WBTC was included, it dropped to 260, due to the negative EBITDA score.</p>	

<p>1074. (cont)</p>	<p>The DPFR outlined the key budget assumptions (as set out in the report) and highlighted the uncertainty over adult funding, with the loss of all GLA funded activity from the end of 2020/21.</p> <p>The DPFR advised that the capital programme for 2020/21 had been capped at a lower level of £700k so that cash reserves could be increased as the College entered a period of considerable uncertainty due to the Covid-19 pandemic. However, HM Government had announced a five-year programme to improve the FE estate, and the College intended to submit a bid for c£3m to complete the refurbishment of F Block.</p> <p>In concluding his presentation, the DPFR stressed that risks associated with the achievement of the budget had been identified as:</p> <ul style="list-style-type: none"> • Full-time numbers were higher than planned, resulting in additional unfunded activity with increased delivery costs • Adult participation declined due to Covid-19, resulting in course cancellation, unused funding and staff redundancies • The decline in new apprenticeship starts in 2020/21 was greater than the 30% assumed in the budget • The current grant to cover increased TPS employer costs was not continued beyond the current committed date of 31 March 2021. • Low staff turnover resulted in vacancy savings missed by 25% <p>The Corporation considered the reports.</p> <p>It was RESOLVED that the Budget 2020/21 be agreed as:</p> <ol style="list-style-type: none"> 1. For BCoT: an operating surplus before non-cash items of £1,259k and a reported deficit after non-cash items including FRS102 pension adjustments of £599k, 2. For WBTC: a reported deficit of £44k, 3. Capital expenditure for BCoT of £700k and for WBTC of £80k, 4. For BCoT: a pay award of £520 per FTE effective from 1 August 2020 for all staff members except those who received their award on 1 April 2020. (Proposed by Lynne George, Seconded by George Batho) 	
----------------------------	---	--

ITEMS FOR INFORMATION

(5.24pm)		ACTION
<p>1075.</p>	<p>DECISIONS MADE OUTSIDE OF FORMAL MEETINGS</p> <p>A copy of the Notes of a decision made by email correspondence regarding the re-opening of the College were received and noted.</p>	
<p>1076.</p>	<p>STRATEGIC PLAN KPIs</p> <p>A written report was received for information and noted. The DPFR advised that there had been very little change since the previous meeting. However, despite Covid-19 restrictions and lockdown, teaching had continued online and there had been no withdrawals. Applications for 2020/21 were slightly ahead of the same position as in 2019.</p>	
<p>1077.</p>	<p>PRINCIPAL'S REPORT</p> <p>The Principal updated Members on activities that had been undertaken since the previous meeting. He advised that, despite the Covid-19 restrictions, the College had had a good year.</p> <p>The Principal referred to a schedule of Government Initiatives that had been introduced during the year and highlighted the response by BCoT to each one.</p>	

1077. (cont)	In response to a question from a Member the Principal confirmed that it was the intention to open the College 'normally' from September 2020, based Government recommendations etc.	
1078.	<p>WBTC UPDATE</p> <p>The Principal advised that WBTC had undertaken a detailed review of its structure and activities because of the Covid-19 pandemic and potential impact on its activities. He advised further that staff had accepted a pay-cut, a number had been furloughed, and some redundancies had been made. He stressed that, at the present time, there were many uncertainties for 2020/21 because of the Covid-19 pandemic.</p>	
1079.	<p>CORPORATION MEMBERSHIP MATTERS</p> <p>The Chair advised that there were, currently, four vacancies on the Corporation. He stressed that in 2022 up to 8 members terms of office were also due to expire.</p> <p>The Chair advised further that he had been in discussion with the Group Accountant for a local company who had agreed to be considered for membership of the Corporation.</p> <p>The Chair also asked all Members to let him have any recommendations for names of other potential new Members.</p>	
1080.	<p>ANY OTHER URGENT BUSINESS</p> <p>There were no items of Any Other Urgent Business discussed.</p>	
1081.	<p>DATES OF FUTURE MEETINGS <i>[Meetings commence at 4.30pm unless stated]</i></p> <p>It was confirmed that the meeting scheduled for 1 April 2020 would be cancelled.</p> <p>Wed 14 October 2020 Wed 4 November 2020 (3.00pm Development Day) (Venue: TBA) Wed 9 December 2020</p> <p>The Meeting Schedule for 2020/21 was received and noted.</p>	
1082.	<p>EXCLUSION OF MEMBERS AND/OR NON-MEMBERS</p> <p>No Members or Non-Members were excluded from the Confidential meeting.</p>	
1083.	<p>CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING</p> <p>The Part 2A and Part 2B Confidential Minutes of the Meeting held on 26 February 2020 were confirmed as correct records and were signed by the Chair.</p>	
	<p>CONFIDENTIAL MINUTES OF THE COMMITTEES OF THE CORPORATION</p>	
1084.	<p>Audit Committee</p> <p>The unconfirmed Confidential Minutes of the meeting of the Audit Committee held on 10 June 2020 were received and noted.</p> <p>Matters Arising from the Confidential Minutes:</p> <p>1. Appointment of External Auditor (Minute CA08)</p> <p>See Minute 1087 below.</p>	

1085.	<p>Capital Projects Committee</p> <p>The unconfirmed Confidential Minutes of the meeting of the Capital Projects Committee held on 20 July 2020 were received and noted.</p>	
1086.	<p>Finance & Resources Committee</p> <p>The unconfirmed Confidential Minutes of the meeting of the Finance & Resources Committee held on 12 February 2020 were received and noted.</p>	
1087.	<p>CONFIDENTIAL DECISIONS MADE OUTSIDE OF FORMAL MEETINGS</p> <p>A copy of the Confidential Notes of a decision made by email correspondence regarding the appointment of the College's external auditor were received and noted.</p>	
1088.	<p>LYNNE GEORGE</p> <p>The Chair advised that Lynne had decided to retire from her role on the Corporation as she was planning to move away from the area for family reasons.</p> <p>The Chair and the Principal paid tribute to and thanked Lynne for her long and dedicated service to the College and the Corporation during her 15 years as a Member.</p> <p>The Chair and the Principal made a presentation to Lynne</p> <p>In response, Lynne thanked the College and the Corporation for her gifts and wished everyone well for the future.</p>	
(5.53pm)	Meeting closed	

Confirmed as a correct record:		14 Oct 2020
--------------------------------	--	-------------