

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 10 MAY 2023

Membership (8):	*	Mike Howe	External Member	Chair
		Anthony Bravo	Principal	
	*	Kevin Croombs	External Member	Vice Chair
	*	Adam Lupton	External Member	
		Arun Mummalaneni	External Member	
		Dave Murray	External Member	
	*	Barry Smith	External Member	
	*	Colin Willoughby	External Member	
Quorum:		3 required	5 present at start	Meeting quorate
In Attendance:		Mark Bonnett	Finance Manager (FM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
		Lorraine Heath	Deputy Principal: Curriculum, Performance and Innovation (DPCPI)	
	*	David Moir	Deputy Principal: Finance & Resources (DPFR)	
	*	Shirley Powell	Interim Head of HR (IHR)	
Present at Meeting:	*			

PART 1 - NON-CONFIDENTIAL MINUTES

(5.00pm)		ACTION
975.	APOLOGIES FOR ABSENCE Anthony Bravo, Arun Mummalaneni, Dave Murray, Mark Bonnett (Finance Manager), Lorraine Heath (DPCPI).	
976.	DECLARATION OF INTERESTS There were no declarations of interest advised.	
977.	NOTIFICATION OF ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business notified.	
978.	MINUTES OF THE PREVIOUS MEETING The Minutes of the meeting held on 8 March 2023 were confirmed as a correct record and were signed by the Chair.	

979.	MATTERS ARISING 1. Treasury Management Policy (Minute 968) The DPFR confirmed that there had been no changes to the rates available at other banks, and that the majority of the College's cash reserves was now placed with Barclays Bank, leaving a very small deposit with Lloyds Bank.	
980. (5.03pm)	HR ACTIVITY REPORT A written report was received for information and noted. The IHR advised that the level of job vacancies was, currently, at its lowest level for some time. She advised that considerable additional work had been undertaken through the use of alternative methods of advertising, such as the greater use of social media, to achieve this. Nationally, the high level of vacancies still caused a major problem within the FE sector. In response to a question from a Member about the staff turnover rate (currently 16.4%), the IHR advised that she would normally expect a turnover of 5-8%, and that turnover in other colleges in the area was also similar to that of BCoT. She felt that the reduced level of vacancies at the College was probably attributable to a number of factors including the good financial health rating of the College, the recent 'Good' Ofsted grading, and the changing attitude in the jobs market that a college role was seen as a more stable option in the current economic climate. The Ctte highlighted the need to ensure that all staff PDF reviews were completed during the summer term, and a progress report made at the Autumn Term meeting of the F&R Ctte. <i>(The IHR left the meeting)</i>	
981. (5.11pm)	MANAGEMENT ACCOUNTS 2022/23: MARCH 2023 The Management Accounts to March 2023 were received and noted. The DPFR advised that there had been no changes in the Management Accounts since the last meeting, and that he anticipated that the year-end position would be as shown in the March 2023 Management Accounts (surplus before FRS adjustment of £135k).	
982. (5.12pm)	2023/24 BUDGET – EARLY INDICATIONS A written report was received for information and noted. The DPFR reminded the Ctte that when the Corporation approved the 2023/24 pay award it would result in the College's financial health reducing to 'Good' due to the low EBITDA. The DPFR advised that the proposed budget remained cash positive other than for the funding of F block window and roof works. Normal capital requirements of £600k would be met from cash flow. Whilst an increase in full-time students was expected in September 2023, the DPFR stressed that this would not improve the budget until 2024/25 due to the lagged funding methodology operated by the ESFA. The core figures show the financial position assuming such growth would be funded, and this demonstrated an acceptable EBITDA which, when combined with the surplus from commercial work, would return the college to 'Outstanding'.	

982. (cont)	<p>The DPFR advised further that the key factors driving the budget were:</p> <ul style="list-style-type: none"> • Lagged student numbers – fewer students in 2022/23 impacted 2023/24 income Increased numbers forecast for 2023/24 will increase income in 2024/25 • Funding rates increased for 16-18 provision and adults, but were well below the rate of inflation • Interest receivable increasing in line with interest rate changes • Pay award for 2023/24 – cost c£650k • Increased subcontracting in 2023/24 • Non-pay budgets largely being held at current levels, inflation to be managed through procurement and efficiency • Financial health was expected to drop from 'Outstanding' to 'Good' in 2023/24. <p>The also stressed that the College had strong cash reserves but needed to be clear on how these reserves would be planned to be used.</p> <p>In response to a question from a Member the DPFR advised that no further pay award had been included in the proposed budget for 2023/24.</p> <p>The full budget proposal for 2023/24 would be presented to the Ctte at its meeting in June 2023.</p>	
983. (5.31pm)	<p>PARTNERSHIP PROVISION</p> <p>A written report was received for information and noted. The DPFR advised that the DPCPI was not confident that WBTC would achieve its enrolment target. However, the contract with Learning Curve had commenced and was expected to be achieved in full.</p>	
984. (5.36pm)	<p>FINANCIAL REGULATIONS UPDATE</p> <p>A written report was received and considered. The DPFR advised that there had been a number of additions (highlighted in yellow in the report) to the Financial Regulations that were as a direct result of the re-determination that colleges were reclassified to be part of the public sector.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the amendments highlighted in the Financial Regulations be agreed. (Proposed by Kevin Croombs, Seconded by Adam Lupton)</p>	CORP
985. (5.41pm)	<p>COMMITTEE TERMS OF REFERENCE UPDATE</p> <p>A written report was received and considered. The Clerk advised that following a review by the Internal Auditor, he (the Internal Auditor) had advised that the terms of reference for the Finance & Resources Committee (F&R Ctte) did not explicitly reference the delegated responsibility from the Corporation for oversight of Partnership Provision progress reports.</p> <p>The F&R Ctte was, therefore, requested to agree to the inclusion of a new paragraph (number 17) that showed specific delegation to it (the F&R Ctte) regarding partnership provision, and to recommend the revised Terms of Reference to the Corporation for approval.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the amended Terms of Reference for the Finance & Resources Ctte be agreed. (Proposed by Kevin Croombs, Seconded by Barry Smith)</p>	CORP

986. (5.42pm)	ESTATES UPDATE A written report was received for information and noted. The DPFR updated the Ctte on general progress within the Estates Dept. The F&R Ctte was pleased to note the continuing wide range of activities being undertaken within the Estates & Facilities Dept.	
987. (5.47pm)	IT REPORT A written report was received for information and noted. The DPFR advised that work continued on a wide range of IT activities, including the disaster-recovery testing of the systems to restore from the back-up in the event of a major issue. In addition, it was noted that achievement of the updated Cyber Essential accreditation was anticipated during summer 2023.	
988.	ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business considered.	
989. (5.55pm)	DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i> 2022/23 Wednesday 21 June 2023 2023/24 Thursday 30 November 2023 Wednesday 6 March 2024 Wednesday 15 May 2024 Wednesday 19 June 2024	
990.	CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING The Confidential Minutes of the meeting held on 8 March 2023 were confirmed as a correct record and were signed by the Chair.	
991.	CONFIDENTIAL MATTERS ARISING There were no Confidential Matters Arising discussed that were not considered elsewhere at the meeting.	
(5.57pm)	Meeting closed	

NOTE: General acronyms used in the Minutes:

AEB	Adult Education Budget	FSC	Future Skills Centre, Bordon
BDBC	Basingstoke & Deane Borough Council	KPIs	Key Performance Indicators
Ctte	Finance & Resources Ctte	HCC	Hampshire County Council
ESFA	Education & Skills Funding Agency	WBTC	West Berkshire Training Consortium