

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

MINUTES OF A MEETING HELD ON THURSDAY 24 NOVEMBER 2022

Membership (8):	*	Mike Howe	External Member	Chair
	*	Anthony Bravo	Principal	
	*	Kevin Croombs	External Member	Vice Chair
	*	Arun Mummalaneni	External Member	
	*	Dave Murray	External Member	
	*	Barry Smith	External Member	
	*	Colin Willoughby	External Member	
		Vacancy (GDC)	Staff member	
Quorum:		3 required	7 present	Meeting quorate
In Attendance:	*	Mark Bonnett	Finance Manager	
	*	Linda Burns	Interim HR Manager (HRM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	Lorraine Heath	Deputy Principal: Curr, Perf, Innov (DPCPI)	
	*	David Moir	Deputy Principal: Finance & Resources (DPFR)	
Present at Meeting:	*			

PART 1 - NON-CONFIDENTIAL MINUTES

(5.02pm)		ACTION
943.	APOLOGIES FOR ABSENCE None received.	
944.	DECLARATION OF INTERESTS The Principal, the Deputy Principals and the Finance Manager declared an interest in Agenda Item 14: Any Other Urgent Business – Proposed Additional Staff Payments	
945.	NOTIFICATION OF ANY OTHER URGENT BUSINESS The Principal notified one item of Any Other Urgent Business– Proposed Additional Staff Payments	
946.	MINUTES OF THE PREVIOUS MEETING The Minutes of the meeting held on 27 June 2022 were confirmed as a correct record, and were signed by the Chair.	
947.	MATTERS ARISING There were no Matters Arising discussed that were not due to be considered elsewhere on the agenda.	

<p>948. (5.05pm)</p>	<p>HR ACTIVITY REPORT</p> <p>A written report was received for information and noted. The HRM took the Ctte through her report and highlighted that:</p> <ul style="list-style-type: none"> • The College headcount was slightly lower than in 2021, but staff turnover had increased significantly • 94.5% of qualifying staff had had a PDR (professional development review) • The annual staff survey results had largely been judged as positive • HR department staffing was a challenge • The College payroll had passed a TPS (teachers pension service) audit with no recommendations <p>The DPFR stressed the continuing challenges to staff recruitment.</p> <p>(The HHR left the meeting)</p>	
<p>949. (5.18pm)</p>	<p>MANAGEMENT ACCOUNTS 2022/23: OCT 2022</p> <p>1. Management Accounts 2022/23</p> <p>The Management Accounts for the period to 31 October 2022 were received and noted. The DPFR advised that the forecast had been updated post-enrolment to an operating surplus of £20k (original budget £115k) and cash generation of £1,364k (original budget £1,458k).</p> <p>The DPFR advised further that the key headlines from enrolment were that 16-18 full time enrolments were (as forecast) down compared to 2021/22, adult full-time down by 25% (not forecasted), part time adult and HE were still enrolling, and apprenticeship enrolments were slightly up on the previous year. He took the Ctte through the reasons (outlined in the report) for the changes, along with the challenges facing the College in 2022/23 and also in 2023/24.</p> <p>In addition, the DPFR advised that the FSC was now forecast to make a loss of £27k in 2022/23. In response to a question from a Member the DPFR advised that the next break-point in the lease with HCC was in June 2025.</p> <p>With regards to the financial KPIs the DPFR advised that 5 were graded 'green' and the remaining 2 were graded 'amber'.</p> <p>2. ESFA Dashboard</p> <p>A copy of the updated ESFA dashboard data had been circulated to the Ctte prior to the meeting. The DPFR took the Ctte through the data and advised that there was nothing contained within it that was not already known to the College and as had been reported regularly to the Corporation.</p>	
<p>950. (5.54pm)</p>	<p>FINANCIAL STATEMENTS AND FINANCIAL OUTTURN 2021/22</p> <p>A written report was received and considered. The FM advised that the financial statements were based on the BCoT Group (the College, BCoT Professional Services and WBTC) accounts. He advised further that the auditors had issued an unqualified report, that had been received and agreed by the Audit Ctte at its meeting on 23 Nov 2022.</p> <p>The FM took the Ctte through the financial statements and advised that the consolidated statement of income and expenditure showed a Group deficit of £801k, with the College at a deficit of £615k. He advised that the difference was mainly due to the trading loss at WBTC. He also advised that the net cash flow from operating activities for 2021/22 was £2,148k, compared to £2,400k in 2020/21.</p> <p>In reviewing the BCoT Professional Services Ltd (BPSL) financial statements, the FM advised that the number of staff employed by the company had continued to increase</p>	

<p>950. (cont)</p>	<p>during 2021/22, and that the accounts showed a zero profit/loss.</p> <p>In response to a question from a Member the DPFR advised that all staff employed by BPSL are non-teaching staff.</p> <p>In reviewing the Group Financial Statements 2021/22 the Ctte requested some minor clarifications to be made to the Corporation's report section.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that the BCoT Group Financial Statements 2021/22, based on a group deficit of £801k, be agreed. (Proposed by Kevin Croombs, Seconded by Colin Willoughby)</p>	
<p>951. (6.15pm)</p>	<p>BAD DEBT</p> <p>A written report was received for information and noted. The FM reported that two debts (totalling £436.47) had been written-off under delegated authority.</p>	
<p>952. (6.16pm)</p>	<p>PARTNERSHIP PROVISION</p> <p>A written report was received for information and noted. The DPCPI advised that the College was currently only subcontracting with WBTC, for functional skills English qualifications. She advised further that enrolments were substantially under target (primarily owing to staff shortages that had resulted in courses not currently being advertised) and felt that it would be a challenge for WBTC to meet the income target for the year.</p>	
<p>953. (6.17pm)</p>	<p>IT REPORT</p> <p>A written report was received for information and noted. The DPFR advised that the College had achieved Cyber Essentials status in July 2022. He was also pleased to advise that the stalled 2019 infrastructure replacement program had now been completed.</p>	
<p>954. (6.21pm)</p>	<p>ESTATES UPDATE</p> <p>A written report was received for information and noted. The DPFR advised that a wide range of general maintenance continued to be undertaken.</p> <p>The DPFR advised that, subsequent to the last meeting of the Capital Project Ctte on 31 Oct 2022, a value for money review of the proposed refurbishment of the top floor of F Block had been held and current thinking was to not now proceed with the scheme that had been originally developed.</p> <p>The DPFR advised further that there were alternative options available that would see some of the curriculum users move to North Site, and a smaller, less intrusive, refurbishment of the common-user areas undertaken instead. In addition, he advised that the cost of the window replacement project was greater than had been estimated, and there was a growing need to undertake a major refurbishment of the roof to F Block, that had not yet been costed or programmed. In response to a question from a Member he advised that there had been no adverse comments on the proposed changes received from those staff consulted.</p> <p>The Chair of the F&R Ctte requested that a briefing note outlining the proposed changes be circulated to the Capital Project Ctte members before the Corporation meeting on 7 December 2022.</p>	<p>DPFR</p>
<p>955. (6.31pm)</p>	<p>REVIEW OF COMMITTEE TERMS OF REFERENCE AND DELEGATION OF RESPONSIBILITIES</p> <p>A written report was received and considered. The Clerk advised that the Terms of Reference were due for a three-yearly review. It was noted that item 6: post project reviews was now part of the Audit Committees remit and would be removed from the F&R Ctte's Terms Of Reference. No changes were proposed to either document.</p>	

956. (6.33pm)	<p>ANY OTHER URGENT BUSINESS</p> <p>1. Proposed Additional Staff Payments</p> <p>The Principal advised that, because of the current economic recession the UK was facing with high energy, fuel and food costs, a number of staff were finding it very difficult to make ends meet, and a number of them had had to resort to the use of local food banks.</p> <p>The Principal noted that the Corporation had approved a pay award from August 2022 of £1,100/2%pro-rata that had been received very gratefully by the staff. However, he advised further that a number of other colleges had also made one-off unconsolidated payments to staff to help them during the current economic crisis.</p> <p>The Principal proposed that the Corporation consider making a one-off unconsolidated payment to all staff of £100 (net after tax/NI), that would be 'grossed-up' to the basic-rate of tax. The full cost of the proposal would be £50k, and paid in the new year (2023). He stressed that this would be seen as a gesture of help and recognition of the current issues facing staff.</p> <p>The DPFR advised that such a payment would not cause a cash flow issue, but would have an impact on the end of financial year position. In addition, he stressed that the minimum wage would also be increasing in April 2023, that would help the lower-paid staff.</p> <p>In response to a question from the Chair of the Ctte the DPFR and Principal confirmed that, as part of the operational actions in recruiting staff, the College considered and paid an market-forces uplift to staff in hard-to-fill roles where there were specifically identified shortages of suitably qualified applicants.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that an unconsolidated payment of £100pro-rata (net of tax/ NI), grossed-up to the basic rate of tax, be paid to all staff at the start of 2023. (Proposed by Dave Murray, Seconded by Barry Smith)</p>	
957.	<p>DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wednesday 8 March 2023 Wednesday 10 May 2023 Wednesday 21 June 2023</p>	
958. (6.51pm)	<p>CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING</p> <p>The Confidential Minutes of the meeting held on 27 June 2022 were confirmed as a correct record, and were signed by the Chair.</p>	
959.	<p>CONFIDENTIAL MATTERS ARISING</p> <p>There were no Confidential Matters Arising discussed that had not been considered elsewhere on the agenda.</p>	
960.	<p>REVIEW OF SALARIES</p> <p>Discussed as part of Agenda Item 14: Any Other Urgent Business – Proposed Additional Staff Payments (Minute 956.1 above)</p>	
(6.52pm)	Meeting closed	

NOTE: Acronyms used in the Ctte's 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

Confirmed as a correct record:		8 March 2023
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