

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 17 JUNE 2026

Membership (7):		Kevin Croombs	External Member	Chair
	*	Lorraine Heath	Principal	
	*	Mike Howe	External Member	Vice Chair
	*	Maria Miller	External Member	
		Arun Mummаланeni	External Member	
	*	Rowena Prenderville	External Member	
		Vacancy (DM)	External Member	
Quorum:		3 required	4 present	Meeting quorate
In Attendance:	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	Gary Clark	Director of Finance (DoF)	
	*	Greg Devereux-Cooke	Asst Principal Corporate Services (APCS)	
Present at Meeting:	*			

PART 1 - NON-CONFIDENTIAL MINUTES

(5.02pm)		ACTION
1159.	APOLOGIES FOR ABSENCE Kevin Croombs.	
1160.	CHAIR FOR THE MEETING In the absence of the Chair, the Vice Chair took the chair for the meeting.	
1161.	DECLARATION OF INTERESTS There were no Declarations of Interest made.	
1162.	NOTIFICATION OF ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business notified.	
1163.	MINUTES OF THE PREVIOUS MEETING The Minutes of the meeting held on 13 May 2026 were confirmed as a correct record and were signed by the Chair.	
1164.	MATTERS ARISING There were no Matters Arising discussed that were not due to be considered elsewhere at the meeting.	

1165.
(5.15pm)

MANAGEMENT ACCOUNTS 2025/26: MAY 2026

The Management Accounts for May 2026 were received and noted. In particular, the DoF advised that:

- The F3 forecast showed cash generated from operations of £2.1m
- Income was £172k ahead of forecast
- Pay cost for April 2026 were slightly above forecast
- Nursery income was slightly down but, overall, was on forecast
- Refectory losses were decreasing as work continued to improve its finances
- Five financial KPIs ‘green’ one (pay costs as a % of income) ‘amber’
- A second tranche of the estates conditional funding grant had been received from the DfE – who had also confirmed that such funding would continue until 2029/30
- Cash flow remained good and the balance sheet strong

1166.
(5.34pm)

BUDGET 2026/27

A written report was received and considered. The DoF advised that following the previous meeting of the Ctte he had made some minor changes to the proposed Budget. He advised further that he had not included the additional estates conditional funding grant as it had not been known about at that time. Also, he had not factored-in proposed changes to the accounting of lease scheme items (minibus, photocopiers, vending machines etc) as the full implications of the changes were under review.

The DoF advised that the overall College Budget 2026/27 was based on:

	Core Budget £000	Non-core £000	College Total Budget £000
Income	24,097	(864)	23,233
Pay Costs	(16,795)	(17)	(16,812)
Non-Pay Costs	(4,958)	(207)	(5,165)
Cash Generated from operations	2,344	(1,088)	1,256
Less depreciation, capital grants and pension adjs	(1,842)	0	(1,842)
Reported Surplus (deficit)	502	(1,088)	(586)

The cash flow forecast showed a reduction from £9.619m (Aug 2026) to £8.332m (July 2027). However, the DoF stressed that, at this level, the College had sufficient funding to meet its ongoing operational requirements and continued to invest in the College’s infrastructure and improve experiences for staff and student.

Reviewing the key financial KPIs (listed in the report), it was noted that the budget exceeded all except one of the College’s own targets, and also those proposed by the FE Commissioner (FEC). The only KPI not met was that related to ‘pay costs as a % of income’, forecast in the budget at 73% but the College and FEC targets being 65%.

In response to question from a Member related to the issue of pay costs as a % of income, the DoF advised that this was primarily as a result of continuing student growth vis-à-vis lagged funding, with the need to commit expenditure to meet the growth element in-year but not receiving funding until the following year.

Following a further challenge related to monitoring pay costs, the DoF stressed that requests to fill vacant staff posts had to be justified fully, and all alternatives explored before a vacant post could be advertised.

1166. (cont)	A Member also raised concerns related to risk to funding because of local government devolution and the potential that the new authorities might not prioritise colleges at the same levels as had been in the past. The Principal advised that the main impact would be related to adult funding, that a combined Hampshire mayoral authority had been established to oversee such matters, but the College's main 16-18 income would continue to be allocated via the DfE. The DoF highlighted several other matters that could have an impact on the budget, specifically that related to a recent Court of Appeal case related to changes to utility bills vis-a-vis VAT. The Court of Appeal had decreed that DfE grant income should be treated as 'business income' and that could have an adverse impact on the level of VAT charged. HMRC had, though, advised that any changes in VAT rates on utility costs would not be applied retrospectively. With regards to capital expenditure, the DoF advised that, based on his forecast cash generation, the College could spend £1.25m on Capital and remain cash neutral. In addition, during 2024/25 and 2025/26 the College had been in receipt of two separate conditional funding grants (£679k and £663k respectively) which had to be used towards the capital maintenance of the College's estate. So far, £306k of this grant has been utilised on lift replacements and some toilet refurbishments. During the budget process the College had identified several key areas (listed in the report) that needed to be addressed in the next 12 months. The F&R Cttee considered the proposed budget 2026/27. It was RESOLVED to RECOMMEND to the CORPORATION that the College Budget 2026/27 be agreed, based on: <table><tr><td></td><td>College Total Budget £000</td></tr><tr><td>Gross income</td><td>23,233</td></tr><tr><td>Cash generated from ops</td><td>1,256</td></tr><tr><td>Less adjustments etc</td><td>(1,842)</td></tr><tr><td>Reported Surplus (Deficit)</td><td>(586)</td></tr></table>		College Total Budget £000	Gross income	23,233	Cash generated from ops	1,256	Less adjustments etc	(1,842)	Reported Surplus (Deficit)	(586)
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1167.	UPDATE ON ESTATES MATTERS A verbal update was received and noted. The APCS advised on a range of estates matters that had been highlighted at the last meeting of the Cttee. In particular, he advised that: • Lower Concourse Roof: stripped-back and made safe, scheduled for structural survey • Roof and Gutters: surveys scheduled and repairs to be undertaken as part of the conditional funding grant • North Site Boilers: work progressing, no asbestos found • Laundry Room: fire safety survey undertaken and works scheduled to make it compliant with fire regs. Additional problem identified related to the ductwork for the dryers in that it was shared with the freezers in the training kitchens. Work to be undertaken to separate the systems • Review of Supplier Relationships: to be monitored in greater detail in order to achieve better services In response to a question from a Member the APCS advised that an offer had been made to a candidate for the Head of Estates role, but that person had subsequently declined it. The post was currently being re-advertised.										

1168.	DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i>	
	Wednesday 25 Nov 2026 Joint meeting with Audit Ctte (5.15pm) Thursday 26 Nov 2026 Wednesday 10 Mar 2027 Wednesday 12 May 2027 Wednesday 23 June 2027	
(6.19pm)	Meeting closed	

NOTE: General acronyms used in the Minutes include:

Ctte: Finance & Resources Committee
 EMT: Executive Management Team
 HCC: Hampshire County Council
 HR: Human Resources

I&E: income and expenditure
 LGPS: Local Gvt Pension Scheme
 TPS: Teachers' Pension Scheme
 WBTC: West Berkshire Training Consortium

Confirmed as a Correct record		26 Nov 2026
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