

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 15 MAY 2024

Membership (8):	*	Kevin Croombs	External Member	Chair
	*	Anthony Bravo	Principal	
	*	Mike Howe	External Member	Vice Chair
		Adam Lupton	External Member	
	i	Arun Mummalaneni	External Member	
		Dave Murray	External Member	
		Colin Willoughby	External Member	
		Vacancy (BS)	External Member	
Quorum:		3 required	3 present at start	Meeting quorate
In Attendance:	*	Mark Bonnett	Finance Manager (FM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	*	Sammy Dolan	Head of HR (HHR)	
	*	Lorraine Heath	Deputy Principal: Curriculum, Performance and Innovation (DPCPI)	
	*	David Moir	Deputy Principal: Finance & Resources (DPFR)	
Present at Meeting:	*			
From Minute 1037:	i			

PART 1 - NON-CONFIDENTIAL MINUTES

(5.05pm)		ACTION
1031.	APOLOGIES FOR ABSENCE Dave Murray, Colin Willoughby.	
1032.	DECLARATION OF INTERESTS Kevin Croombs declared that his employer (Champion Scaffolding Ltd) had donated some scaffolding to the Construction Department.	
1033.	NOTIFICATION OF ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business notified.	
1034.	MINUTES OF THE PREVIOUS MEETING The Minutes of the meeting held on 4 March 2024 were confirmed as a correct record and were signed by the Chair.	

<p>1035.</p>	<p>MATTERS ARISING</p> <p>There were no Matters Arising discussed that were not due to be considered elsewhere at the meeting.</p>	
<p>1036. (5.07pm)</p>	<p>HR ACTIVITIES AND PRIORITIES</p> <p>A written report was received for information and noted. The HHR took the Ctte through her report. In particular she advised that:</p> <ul style="list-style-type: none"> • There had been no change in the staff headcount since the last report, • There had been some delays transferring data into the new HR/Payroll system. In response to a question from a Member, the HHR confirmed that all staff continued to be paid ontime, • With the introduction of the new HR/Payroll system the opportunity had been taken to review the templates/questions for PDR reviews, • The Staff Survey 2024 was due to be issued in June 2024, • The College’s Recruitment Advisor had attended a job fair to promote employment opportunities available at the College, especially in the hard-to-fill vacancy areas. <p>The results of the Staff Wellbeing Survey 2024 were received and noted. In particular the HHR advised that the majority of staff advised that they were happy at the College. However some areas for improvement had been identified, such as improving the induction process. It was also highlighted that some staff felt that there was a ‘divide’ between North Site and South Site. As a result of the survey, Wellbeing Champions had been introduced. In response to a question from a Member the HHR advised that feedback to the staff on the outcomes of the Wellbeing Survey had been made through the weekly All Staff Email.</p> <p>The Ctte sought and received clarification on a number of matters raised in the report.</p> <p><i>(The HHR left the meeting)</i></p>	
	<p><i>(Arun Mummalaneni joined the meeting)</i></p>	
<p>1037. (5.22pm)</p>	<p>MANAGEMENT ACCOUNTS: March 2024</p> <p>The Management Accounts for March 2024 were received and noted. The DPFR advised that there had been no significant changes since the F2 update, with cash generation at £1,000k (F1 = £1,010k), and a forecast ‘bottom line’ deficit (after depreciation and pension adjustments) of -£694k. He advised further the forecast would be updated at the end of Q3 in April 2024.</p> <p>In particular, the DPFR highlighted that, as at the end of April 2024, the overall vacancy savings target and pay costs were currently c£600k under budget.</p> <p>In response to a question from a Member, the DPCPI advised that staff recruitment was still a major problem for the College (and also a national problem) and should there be a continued growth in student numbers in September 2024 that would exacerbate the problems.</p> <p>The Principal highlighted that issues relating to the lack of appropriate staff could lead to the possibility of some provision being stopped. In response to a question from a Member regarding the loss of income from stopping provision the DPCPI stressed that there would be significant problems overall, and that many staff were already undertaking additional cover to try to keep as much provision as possible operating.</p>	

1038. EMERGING BUDGET 2024/25

(5.39pm)

A written report was received and considered. The DPFR advised that income would increase by c£2m, due to the release of lagged funding for the increased student numbers achieved in Sept 2023, and an increase in funding rates as applied by the DfE. Pay costs would also increase by c£1.8m. He anticipated the 'bottom line' to be a reduced deficit budget of -£358k (F2 forecast for 2023/24 = -£694k).

In particular, the DPFR advised that the cash generation target was £1.4m. Cash generation was made up as:

- Core college £1,925k
- Subcontracted £12k
- Non-core/non-recurring £(665)k

The DPFR advised further that non-core was mainly negative lagged funding due to forecast growth in 16-18 FT student numbers.

The DPFR also highlighted that the draft budget would be sufficient to put the College (on its own) back to 'Outstanding' financial health. However, it was quite close to the cut-off between 'Good' and 'Outstanding', and consequently, the group position when WBTC was consolidated might not achieve 'Outstanding', but could be at the top end of 'Good'.

Planned capital expenditure (not including the F block project) was budgeted at £1,178k. The DPFR advised that this was higher than the £700k normally budgeted for two reasons:

1. £178k related to money allocated in 2023/24 for capital which would not be spent. This had been earmarked for alternative projects that would be carried out over the summer but would not be capitalised until August 2024 or September 2024, so would be accounted for in financial year 2024/25,
2. The £700k target had been increased to £1m due to the high level of demand for capital coming through the business planning process.

Overall, the budget for 2024/25 would be close to cash neutral for capital purposes. In addition, the F block project would progress through 2024/25 and would reduce the College's cash holding.

The DPFR's report outlined a wide range of budget planning assumptions along with a number of risks and opportunities. The Ctte reviewed the broad issues raised and sought clarification on a range of matters. In particular it was noted that the College was forecasting a further significant increase in 16-18 year olds (through an increase in applications and more current students progressing), but that there was still a lot of uncertainty around T Levels.

In response to a question from a Member the DPFR advised that, looking at Basingstoke secondary school numbers, the trend was for a reduction of around 4% in 2024 and then a 20% increase over the following three years (2025-2027). After that numbers would start to decline again.

In response to a further question from a Member the DPCPI advised that it was difficult to plan and offer specific courses for industry as the challenge was that most companies would not be prepared to pay the appropriate fees required. However, the planned DfE skills boot camps (funded under Project S) were aimed at skills updating etc.

With regards to WBTC, the DPFR advised that he had not yet received any budget information from them but it was anticipated that they would set a budget that would generate a modest surplus and strengthen their financial position.

<p>1038. (cont)</p>	<p>It was also noted that the biggest uncertainty at the current time was the impending general election and the implications of that on potential and future operations and curriculum offers.</p> <p>The ‘final’ proposed budget 2024/25 would be presented to the Ctte at its next meeting for consideration and recommendation to the Corporation for approval.</p>	
<p>1039. (6.30pm)</p>	<p>PARTNERSHIP PROVISION</p> <p>A written report was received for information and noted. The DPCPI advised that the contract with Learning Curve Group was due to end when the final four learners complete their programmes. The achievement rate was currently 88%.</p> <p>With regards to WBTC she advised that 36 learners were due to complete in the current academic year. Retention was very positive and the current achievement rate was 88%, but could vary dependent upon the outcomes of the remaining learners.</p>	
<p>1040. (6.31pm)</p>	<p>ESTATES UPDATE</p> <p>A written report was received for information and noted. With regards to phase 1 of the F Block project, it was noted that preparatory work was progressing. In response to a question from a Member the DPFR raised some concerns with main contractor and confirmed that the College was not committed to appointing the same main contractor for phase 2.</p>	
<p>1041. (6.35pm)</p>	<p>IT UPDATE</p> <p>A written report was received for information and noted. It was noted that there had been two unplanned IT outages, both resolved outside of normal business hours. Disaster Recovery Testing, which included an unprepared-for scenario for those staff taking part, was successful.</p>	
<p>1042.</p>	<p>ANY OTHER URGENT BUSINESS</p> <p>There were no items of Any Other Urgent Business discussed.</p>	
<p>1043.</p>	<p>DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i></p> <p>Wednesday 19 June 2024 Wednesday 27 Nov 2024 (Joint meeting with Audit Ctte) Thursday 28 Nov 2024 Wednesday 19 Mar 2025 Wednesday 14 May 2025 Wednesday 18 June 2025</p>	
<p>1044.</p>	<p>CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING</p> <p>The Confidential Minutes of the meeting held on 4 March 2024 were confirmed as a correct record and were signed by the Chair.</p>	
<p>1045.</p>	<p>CONFIDENTIAL MATTERS ARISING</p> <p>There were no Confidential Matters Arising discussed that were not due to be considered elsewhere at the meeting.</p>	
<p>(6.40pm)</p>	<p>Meeting closed</p>	

<p>Confirmed as a Correct record</p>		<p>19 June 2024</p>
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