

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

FINANCE & RESOURCES COMMITTEE

MINUTES OF A MEETING HELD ON MONDAY 4 MARCH 2024

Membership (8):	*	Mike Howe	External Member	Chair
	*	Anthony Bravo	Principal	
	*	Kevin Croombs	External Member	Vice Chair
		Adam Lupton	External Member	
	ii	Arun Mummalaneni	External Member	
	*	Dave Murray	External Member	
	*	Colin Willoughby	External Member	
		Vacancy (BS)	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)	
	i	Sammy Dolan	Head of HR (HHR)	
	*	Lorraine Heath	Deputy Principal: Curriculum, Performance and Innovation (DPCPI)	
	*	David Moir	Deputy Principal: Finance & Resources (DPFR)	
	iii	Ian Ward	Director of IT (DoIT)	
	iv	Julie Dougill	External Board Review Consultant	
Present at Meeting:	*			
To Minute 1021:	i			
From Minute 1022:	ii			
To Minute 1023:	iii			
Via video link:	iv			

PART 1 - NON-CONFIDENTIAL MINUTES

(4.05pm)		ACTION
1016.	<p>APOLOGIES FOR ABSENCE</p> <p>Adam Lupton, Arun Mummalaneni (late arrival), Mark Bonnett (Finance Manager).</p> <p>WELCOME</p> <p>The Chair welcomed Julie Dougill to the meeting and advised that Julie was undertaking the External Board Review on behalf of the Corporation.</p>	
1017.	<p>DECLARATION OF INTERESTS</p> <p>The Principal, the Deputy Principals, the Head of HR and the Director of IT declared an interest in Agenda Item 8: Pay Review.</p>	

1018.	<p>NOTIFICATION OF ANY OTHER URGENT BUSINESS</p> <p>There were no items of Any Other Urgent Business notified.</p>	
1019.	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 30 November 2023 were confirmed as a correct record and were signed by the Chair.</p>	
1020.	<p>MATTERS ARISING</p> <p>There were no Matters Arising discussed that were not due to be considered elsewhere at the meeting.</p>	
1021.	<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"> • Staff headcount was slightly lower than in 2023, but staff turnover had increased in 2022/23, • A more robust process for line managers undertaking PDRs was to be introduced, with an anticipated completion rate of PDRs of 100% by the end of the academic year, • The Staff Survey for 2024 had not yet been sent out, but a staff wellbeing survey had been issued, • The new HR/Payroll system was currently being implemented, the first pay-run being undertaken in February 2024, • Staff sickness absence was slightly better than at the same period in 2023 – it was requested that future reports include an update on staff sickness data. <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>	HHR
1022.	<p>IT INFRASTRUCTURE REVIEW AND PROCUREMENT/IT REPORT UPDATE</p> <p>A written report was received and considered. The DoIT took the Ctte through the report in detail. He advised that the College's IT Dept had carried out an extensive review of the College's IT infrastructure and had had it externally reviewed by JISC, who had agreed with the general outcomes (a copy of the JISC report had been circulated to the Ctte with the agenda papers for the meeting).</p> <p><i>(Arun Mummalaneni joined the meeting)</i></p> <p>The Principal advised that the issues highlighted by the IT review had been discussed in depth by the EMT, and that the proposed outcome of a short/medium term hybrid solution (a mix of server-based and cloud-based options) was seen as the best option for the College to continue to move forward. In response to a question from the Principal, the DoIT advised that the role of JISC was not to be involved in the commercial aspect of the outcome, but was solely as an advisory body on the overall scheme.</p> <p>The Chair of the F&R Ctte sought assurance on how the College would have confidence that the proposals would achieve the outcomes expected. The DoIT stressed that the proposals had been developed within the IT Department, with all members of the IT team having an input to the plans, and all were fully supportive of them. He also advised that the current use of a mixed system (server and cloud) was working well, and that the proposals developed this process further. However, in response to a question from the Chair, he stressed that there could be no absolute guarantees that nothing would go wrong at some point in the future.</p>	

<p>1022. (cont)</p>	<p>The DoIT stressed that the review had been prompted by the continual problems being experienced with the existing IT equipment and very high support costs for this equipment as it came out of warranty. He reminded the Ctte that the IT issues had been reported previously to both F&R and Audit Committees.</p> <p>It was the view of the DoIT that the current IT network infrastructure was not fit for purpose and needed to be changed. The conclusion of the review was to adopt an ongoing hybrid approach to IT infrastructure, with a measured migration from on-premise to Software as a Service (cloud) over the medium term of five to ten years. Implementation of this plan would require capital costs of up to £350k to be brought forward from 2028 to 2024. This would be for £250k to replace the Storage Area Network and £100k to replace the Servers on South Site.</p> <p>The DoIT advised that the proposed expenditure had not been budgeted in the 2023/24 capital plan. He stressed that in order to meet the proposals the equipment needed to be purchased during the current year to enable implementation during summer 2024. He stressed that the College might need to write-down some capital assets earlier than planned, to the maximum value of £33,000 including VAT, but that some of this value could potentially be recovered by selling-on the equipment once it had been replaced. In addition, revenue costs would reduce by £48k, including VAT, per year in relation to warranties. Further savings would be accrued from reduced electricity consumption (as the new equipment required less cooling than the current facilities) which were estimated at up to £8000 a year. Over the 10-year period the revised plan was cost neutral compared to the current plan, taking both capital and revenue expenditure into account.</p> <p>The Ctte sought and received clarification from the DoIT on a range of matters raised in his report and on the proposals. They also received assurances that the proposals were the most effective solution at the present time.</p> <p><i>(Colin Willoughby left the meeting)</i></p> <p>It was also stressed that as more organisations/users moved to cloud-based solutions there was the growing risk that cloud-based service providers could increase costs exponentially and that the College would need to have plans developed and in place to mitigate some potential large cost increases despite shorter term savings.</p> <p>In continuing to progress forward with the proposals it was agreed that Arun Mummalaneni and Colin Willoughby be asked to act as a 'sounding board' to the plans.</p> <p>It was RESOLVED that the new IT infrastructure plan be agreed.</p> <p>It was RESOLVED to RECOMMEND to the CORPORATION that approval of £350,000 capital IT expenditure during 2023/24 for storage and servers (noting this was bringing forward expenditure currently planned for 2028) be agreed.</p>	
<p>1023.</p>	<p>IT REPORT</p> <p>A written report was received for information and noted. The DoIT advised that the Disaster Recovery system was now fully operational, but further testing had been scheduled for the Easter break.</p> <p>The Chair of the Ctte sought clarification regarding seeking Cyber Essentials Plus accreditation. The DoIT advised that the College continued to work towards Cyber Essentials but that no date had been set to achieve the 'Plus' accreditation. The new requirement for an externally certified IT Health Check to be conducted annually would take precedence.</p> <p><i>(The DoIT left the meeting)</i></p>	

1024.	<p>MANAGEMENT ACCOUNTS: JANUARY 2024</p> <p>The Management Accounts to January 2024 were received and noted. The DPFR advised that the forecast position had been updated (F2) to show cash generation at £1,000k (F1 = £1,010k) and the 'bottom line' (after depreciation and pension adjustments) was a deficit of £694k (F1 = -£609k).</p> <p>The DPFR advised further that there had been an overall increase in income of £0.5m, and that the overall finances were looking good.</p>	
1025.	<p>PARTNERSHIP PROVISION</p> <p>A written report was received for information and noted. The DPCPI advised that the two remaining partners to whom BCoT subcontracted were Learning Curve Group (LCG) and West Berks Training Consortium (WBTC). Both of these had been given limited contracts to ensure that the College remained well below the maximum of 25% allowable. However, due to issues with the previous year's achievement rates, LCG were merely completing the learners who started last year, with no contract for new enrolments.</p>	
1026.	<p>ESTATES UPDATE</p> <p>A written report was received for information and noted. The DPFR advised that most elements of the estate were good. However there was an ongoing issue related to an increase in damage caused by students to elements of the infrastructure. The Principal highlighted that a number of new cctv cameras were due to be installed in areas of particular vulnerability to try to reduce vandalism.</p> <p>With regards to F Block, the DPFR advised that the contractor had been appointed and works would commence as planned.</p> <p>The F&R Cttee was pleased to note the continuing good work being undertaken and recorded its thanks to the Estates Team.</p>	
1027.	<p>ELECTION OF CHAIR OF THE COMMITTEE</p> <p>The Clerk advised that the Term of Office for the Chair of the Finance & Resources Committee was due to expire on 15 March 2024. He called for nominations. One nomination was received.</p> <p>It was RESOLVED that Kevin Croombs be elected Chair of the Finance & Resources Committee for a two-year term of office commencing 15 March 2024. (Proposed by Anthony Bravo, Seconded by Mike Howe)</p>	
1028.	<p>ELECTION OF VICE CHAIR OF THE COMMITTEE</p> <p>The Clerk advised that the Term of Office for the Vice Chair of the Finance & Resources Committee was due to expire on 15 March 2024. He called for nominations. One nomination was received.</p> <p>It was RESOLVED that Mike Howe be elected Vice Chair of the Finance & Resources Committee for a two-year term of office commencing 15 March 2022. (Proposed by Dave Murray, Seconded by Arun Mummalaneni)</p>	

1029.	ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business discussed.	
1030.	DATES OF FUTURE MEETINGS <i>(Meetings commence at 5.00pm unless stated)</i> Wednesday 15 May 2024 Wednesday 19 June 2024	
(6.03pm)	Meeting closed	

Confirmed as a Correct record		15 May 2024
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