

FINANCE COMMITTEE

Minutes of the hybrid meeting held on 1 December 2021 at 4.30pm

Present physically: N Savvas, CEO S Clarke, Chair

Present virtually: C Higgins, Vice Chair E D'Souza

In Attendance: A Wright, Group Director Progression
J Raffel, CFO
L Moody, Principal Strategic Growth and Partnerships
P Ewan, Head of Finance
S Gales, Governance Professional

Apologies: None

1 Declaration of Interests and Apologies for absence

CHiggins, ED'Souza, NSavvas and SClarke declared their roles as Trustees of Suffolk Academies Trust. No other conflicts of interest in relation to the items of the agenda were declared.

There were no apologies.

2 Minutes of the meeting held on 3 November 2021

The minutes of the meeting held on 3 November 2021 were **agreed** as an accurate record, subject to the amendment of job title for PEwan to read 'Head of Finance'

3 Matters Arising from meeting on 3 November 2021

The matters arising from the meeting were summarised in the report and all actions reported had either been completed or, where appropriate an update had been provided on progress elsewhere on the agenda.

4 Finance Report

Governors received and considered the detailed financial report provided, and SClarke summarised the key data:

- The year to date deficit is £311k compared to the budgeted surplus of £154k.
- After re-forecasted full year forecast shows a forecast surplus of £53k compared to the original budgeted £200k, due to the HE income shortfall which is a £866k shortfall against budget

The Committee asked what mitigations have been put in place to balance the HE income shortfall. JRaffel summarised that this has been achieved by multiple efficiency savings which contribute to the mitigation and a focus on growing uncapped income streams, and JRaffel agreed to circulate a summary paper to the Committee to give further detail and assurance.

The Committee queried whether the HE income includes all Level 4+ provision including higher apprenticeships. NSavvas confirmed that the HE income is solely HNC, HND and degree students (including direct funded, UoS or UEA students).

The Committee commended the Executive for their works to rebalance the budget to break-even.

SClarke noted that the forecast cash balance has been reviewed to include the known capital spend and grants to be received, resulting in a sizeable reduction in the forecast cash balance at July 2022 to account for the match funding elements of capital projects. The Committee discussed that since the report was circulated there have been updates on several of the capital projects, and that the college continues to apply for additional capital projects to fund developments in line with our property strategy.

Action

JRaffel

5	<u>Key Performance Indicator Report</u>	Governors received and considered the KPI report provided. SClarke noted that of the KPIs, RAG rating of the data shows: 11 green, 3 amber and 4 red.	
		All red KPIs were discussed in agenda item 4.	
6	<u>Enrolments and applications</u>	Governors received and considered the report provided, and AWright updated with the current application data:	
		<ul style="list-style-type: none"> 794 ESFA funded 16-18 enrolments (-6 vs. last year) 	
7	<u>Apprenticeship Pipeline</u>	Governors received and considered the draft report provided showing the profiled and cumulative data over the past two years.	
		LMoody explained the complexities of apprenticeship funding and therefore the reporting of meaningful data metrics. LMoody agreed to, for future reports, to include monitoring planned achievers.	LMoody
8	<u>Audited accounts for year ending 31 July 2021</u>	Governors received and considered the draft audited accounts for the year ending 31 July 2021.	
		JRaffel summarised the key information:	
		<ul style="list-style-type: none"> The accounts have been audited and the figures will not change However, there may be some further tweaks to the disclosures The year-end financial position was £559k before non-cash pension adjustment 	
		The Committee discussed that in future years it would be good to include information about environmental sustainability.	JRaffel
		The Committee agreed to recommend the accounts to the Corporation subject to the addition of further disclosures as discussed. The Committee asked JRaffel to outline the changes compared to this version, to enable the Committee to give assurance to the Corporation.	JRaffel
		The Committee commended the Executive for their excellent delivery to achieve these results.	
9	<u>Cost of SAT Services to WSC Annual Report</u>	Governors received and considered the report provided which covers the actual costs involved in procuring services from SAT for the period 1 September 2020 to 31 August 2021.	
		The Committee agreed that these services provide good value for money.	
10	<u>Bid Register Update</u>	Governors received and considered the bid register provided and discussed the bids which have been successful, unsuccessful and are pending outcomes.	
		The Committee asked for future reports, an additional column to show which bids are progressing (with our confirmed match funding commitment), those in progress (awaiting internal governance approval), those in progress (awaiting external funding outcome) and those which have been rejected.	JRaffel
		JRaffel advised that following a meeting of the Resources Committee last week, the Finance Committee is asked to consider the approval of the next steps of the bids to and upon the recommendation of the Resources Committee, the Finance Committee agreed to reconvene to consider and approve the proposals.	SGales

11 **ESFA Financial Forecasting Return**

Governors received and considered the report provided and noted the Financial Health Grade for 2020/21 is 'Outstanding' and for 2021/22 and 2022/23 based on the CFFR is 'Good'.

The Committee noted that on most metrics the college is performing at or above the ESFA benchmarks, except for staff costs which remain higher than the ESFA's benchmark.

12 **Any Other Business**

- **Streamlined Energy and Carbon Reporting**

The Committee discussed that whilst there is no requirement for the college to report on this in the annual accounts, it would be a useful metric to monitor in support of our work towards net-zero sustainability.

The meeting closed at 5.50pm

JRaffel