

FINANCE COMMITTEE

Minutes of the hybrid meeting held on 13 March 2024 at 4.30pm

Present physically at WSC: N Savvas, CEO E D'Souza

Present virtually: A Duffety, Chair J Drake

In Attendance:

- A Brewster, Group Head of Finance
- A McGarel, CFO
- D Barton, Assistant Principal Adult (part)
- E Lees, Executive Dean of Higher Education (part)
- G Grainer, Chief Information Officer (part)
- L Carroll, Group Head of Project Accounting, Risk and Transformation
- L Moody, Principal Strategic Growth and Partnerships
- L Parish, Assistant Principal Apprenticeships (part)
- M Chatt, Interim CFO
- P Ewan, Head of Finance
- P Stittle, Executive Director Business Development (part)
- S Gales, Governance Professional
- S Minns, Group Head of Admissions and Enrolment (part)

Apologies: C Higgins, Vice Chair

Absent:

1. Declaration of Interests and Apologies for absence

E D'Souza and N Savvas declared their roles as Trustees of Suffolk Academies Trust. No other conflicts of interest in relation to the items of the agenda were declared.

Apologies were received from C Higgins.

2. Minutes of the meetings held on 7 February 2024

The minutes of the meetings held on 7 February 2024 were **agreed** as an accurate record.

3. Matters Arising from meetings held on 7 February 2024

Seven of the twelve matters arising from the previous meeting were complete, four were ongoing and one was closed.

4. Finance Report

Governors received and noted the detailed financial report provided, and the Head of Finance summarised the report:

- The year-to-date position is a position worse than budget,
- The forecast year end position is a surplus position which is better than budget.

Governors noted the additional expenditure on repair works to the barrack works and queried the risk/impact on the forecast year-end position of any further additional expenditure. P Ewan confirmed the risk is minimal as additional expenditure would be covered by existing funding lines.

Governors discussed the risk/impact of the increase in rates of the teachers pension scheme and queried how this is monitored/mitigated. A McGarel noted this could be a variance of circa £150k and summarised how this is monitored by Finance/HR, and then budgetary assumptions for 2024/25 are updated as needed.

Governors discussed the analysis of historical forecasting and queried if we have more confidence in our assumptions and forecasting now. P Ewan outlined how we have reviewed and improved our processes to improve tracking and reporting and to produce worst-case and best-case forecasts.

Action

5. **Key Performance Indicator Report**

Governors received and considered the KPI report provided, which noted that of the KPIs, RAG rating of the data shows: 13 green, 1 amber and 1 red.

A McGarel informed of plans to propose the KPI metrics for 2024/25 (inc. methodology and benchmarks) at the Committee meeting in June 2024.

CFO

6. **Student numbers for current year (Enrolments)**

i. **Apprenticeship Pipeline**

Governors received and considered the report provided and L Parish provided a verbal update on the live data compared to the budgetary target.

Governors commended the success of the Apprenticeship team in bucking the national decline of apprenticeships.

Governors noted the growth and queried if there are issues securing staff to deliver the provision, and if so the plans to address this. L Parish confirmed there are issues and outlined the short- and long-term plans.

Governors commended the clarity and transparency of reporting.

ii. **Adult Pipeline**

Governors received and considered the report provided and D Barton provided a verbal update on the live data compared to the budgetary target.

Governors queried the risk of achieving the AEB allocation. D Barton noted it is low risk as we have time to close the gap and informed the Executive team closely track the income and adjust the risk rating as needed.

iii. **Full Cost Pipeline**

Governors received and considered the report provided and P Stittle provided a verbal update on the live data compared to the budgetary target.

Governors discussed our Accountability Agreement and the skills sub-judgement within Ofsted and asked for a briefing for governance members on how we engage with employers and the impact of this.

T Lloyd
Gov. Prof.

7. **Student numbers for year ahead (Applications)**

i. **Sixth Form Provision**

Governors received and considered the report provided, and S Minns provided a verbal update on the live application data compared to the ESFA funded student allocation.

Governors queried the 'internal progression' rate as a percentage and how this compares with previous years. S Minns answered this and noted the rate is consistent with previous years data. N Savvas noted we continue to review internal progression and work with the Principals and EEG Educational Excellence Committee to track student continuation.

ii. **University Studies Provision**

Governors received and considered the report provided.

E Lees informed of developments which might adversely impact this academic year and capacity and capability concerns which could impact our ability to deliver the 2024/25 curriculum, and outlined the actions being taken to address these issues including US working more closely both with the Adult and Apprenticeship teams and working very closely with the Sixth Form provision to create progression pathways and deliver the curriculum.

D Barton, E Lees, G Grainger, L Parish, P Stittle and S Minns left the meeting at 5.45pm

8. **Risk Register Extract**

Governors received an extract of the updated Risk Register, with the risks relating to financial matters highlighted. Of these risks, post-mitigation, there were 1 red, 4 amber and 4 yellow risks.

Governors discussed WSCR063 (relating to staff pay) and noted this risk will hopefully be downgraded from red risk soon, once the plan to create greater pay parity across the Group has been implemented.

Governors reviewed the risks and **felt assured** by the mitigations proposed.

9. **Financial Regulations**

Governors received and considered the draft Financial Regulations provided.

Governors **approved** the Financial Regulations and **agreed to recommend it to the Corporation**, subject to amendment of references to the 'Group HR Director' to 'CPO' and for the Governance Professional to review/amend as needed any references to the DfE regulation to ensure they reflect the current version and update any hyperlinks to our governance documentation.

Gov. Prof.

10. **Reserves Policy**

Governors received and considered the draft Reserves Policy provided.

Governors discussed whether the methodology used for the reserves should be based on income or expenditure. Governors suggested this be re-considered in Spring 2025.

Finance Committee

Governors **approved** the Reserves Policy and **agreed to recommend it to the Corporation**.

11. **Biomass boiler contract**

Governors received and considered the paper provided.

Pursuant to section 3.9.4 of the Financial Regulations, the Finance Committee approved the expenditure.

12. **Electricity supply contract**

Governors received and considered the paper provided.

Pursuant to section 3.9.4 of the Financial Regulations, the Finance Committee approved the expenditure.

13. **Haverhill lease**

Governors received and considered the paper provided.

Pursuant to section 3.11.1 of the Financial Regulations, the Finance Committee delegated approval to the Chair of the Corporation and the Chair of the Finance Committee to review and agree the Agreement for Lease and Lease documents, and to sign the Agreement for Lease, by 28th March 2024.

14. **Funding allocations for 2024/25**

Governors received and noted the funding allocation.

15. **Any Other Business**

- **Thank you to Pam Ewan**

Governors thanked Pam for her years of service to the College and wished her a happy retirement.

The meeting closed at 6.03pm