

## FINANCE COMMITTEE

### Minutes of the hybrid meeting held on 1 November 2023 at 4.30pm

**Present physically at ASFC:** A Duffety, Chair N Savvas, CEO (part)  
J Drake

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

**In Attendance:** A Brewster, Finance Manager  
D Barton, Assistant Principal Adult  
E Lees, Executive Dean of Higher Education (part)  
G Grainer, Chief Information Officer  
L Moody, Principal Strategic Growth and Partnerships  
L Parish, Assistant Principal Apprenticeships  
M Chatt, Interim CFO  
P Ewan, Head of Finance  
P Stittle, Executive Director Business Development  
S Gales, Governance Professional

**Apologies:** A McGarel, CFO

#### **Absent:**

#### 1. Appointment of Chair and Vice Chair

#### Action

The Committee recognised A Duffety as the Chair of the Finance Committee for 2023/24 as appointed by the Corporation on 12 July 2023 and C Higgins as the Vice Chair of the Finance Committee for 2023/24 as appointed by the Corporation on 31 October 2023.

#### 2. Declaration of Interests and Apologies for absence

C Higgins, 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 A McGarel.

#### 3. Committee Terms of Reference and Skillset

Governors received and considered the Terms of Reference and Committee Skillset provided.

Governors proposed to remove 'public sector' from Committee Skillset item 6.

Gov. Prof.

Governors discussed responsibility 1 and **agreed** to add 'financial' before oversight of capital projects.

Gov. Prof.

Governors discussed responsibility 4 and **agreed** to strength wording relating to review of the periodic management accounts to 'compare performance to budgetary forecast'.

Gov. Prof.

Governors discussed the Committee purpose and **agreed** to add wording to state 'to ensure the Corporation's ongoing and long-term financial health and sustainability'.

Governors discussed the 'delegated authority' section of the Terms of Reference and noted that, as the Committee is advisory, Governors **agreed** to remove these from this section.

Gov. Prof.

The Committee **agreed to recommend to the Corporation** the Committee Terms of Reference and Skillset, subject to the amendments above.

#### 4. Minutes of the meetings held on 28 June 2023

The minutes of the meetings held on 28 June 2023 were **agreed** as an accurate record.

5. **Matters Arising from meetings held on 28 June 2023**

All matters arising from the previous meeting were complete.

6. **Finance Report inc. Bid Register**

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 deficit position which is worse than budget

Governors noted the significant changes to the budget and queried whether the budget will be reforecast and the impact on the challenge budget (effectiveness plan). The Head of Finance answered this.

Governors noted the plans to submit a significant growth case to secure additional revenue funding and queried whether the additional costs are accounted for in the Finance Report. The Head of Finance answered this.

Governors asked for the CFO to progress work on the revised full year forecast and present this at the next Committee meeting (29 November 2023) along with an indication of their confidence in the assumptions used, in the reforecast budget.

CFO

Governors discussed the bid register report and queried who oversees the allocation of funds to ensure utilisation is in accordance with their respective terms of funding. The CEO confirmed the finance team ensure finances are allocated pursuant to the funding criteria of the bid, and oversee all capital bids and the Principal of Strategic Growth and Partnerships oversees the revenue bids.

Governors noted the pipeline bids are of relatively lesser value and queried if we are expecting any additional bids to become available. The Principal of Strategic Growth and Partnerships answered this.

7. **Key Performance Indicator Report**

Governors received and considered the KPI report provided, which noted that of the KPIs, RAG rating of the data shows: 11 green, 3 amber and 1 red.

Governors discussed the red rated KPI and noted this is largely due to the profiling.

E Lees joined the meeting at 5.00pm

8. **2022/23 Year-end outturn**

Governors received and considered the 2022/23 Year-end outturn provided.

Governors commended the year-end outturn position and thanked the Finance Team for their outstanding efforts and their achievement of the effectiveness plan.

Governors **approved** the 2022/23 Year-end outturn and **agreed to recommend** them to the Corporation for approval.

9. **Going Concern report**

Governors received and considered the Going Concern report provided.

Governors **approved** the Going Concern report and **agreed to recommend** them to the Corporation for approval.

10. **2022/23 Group services Value for Money Report**

Governors received and considered the 2022/23 Group services Value for Money Report provided.

Governors **approved** the 2022/23 Group services Value for Money Report and **agreed to recommend** them to the Corporation for approval.

## 11. 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 2 red, 2 amber and 4 yellow risks.

Governors discussed WSCR063 (relating to pay costs) and queried if this remains a red risk. The Head of Finance explained the impact of changes to the national living wage plus inflationary pressures on pay expectations, means the risk remains high.

Governors discussed WSCR021 (relating to cost inflation) and queried if our energy costs are more stable. The Head of Finance answered this. Governors noted that in order to consider the appropriateness of the risk rating and mitigations they need additional information, and asked for a paper to confirm the contract renewal dates for the energy contracts and the current contract value.

L Williams

Governors discussed WSCR007 (relating Apprenticeship data mismatches) and queried whether, as the budget is very reliant on this income, this risk should be higher. The CFO to consider and bring additional evidence/information to the next meeting.

FA Risk  
CFO  
L Parish

Governors discussed WSCR011 (relating to the full cost income budget) and queried whether, as the budget is very reliant on this income, this risk should be higher. The CFO to consider and bring additional evidence/information to the next meeting.

Governors requested a review of the red and amber risks in line with the revised financial forecasts and income dependencies.

CFO

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

## 12. Student numbers for current year (Enrolments)

### i. Sixth Form Provision

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

The CEO informed our 16-18 enrolments is significantly above our funded allocation, and noted that, whilst this will increase our funding allocation next year, it means we have additional in-year costs associated with servicing additional students.

### N Savvas left the meeting at 5.26pm

Governors discussed the impact of lagged funding on budgetary planning and **agreed** to discuss this in summer term, as part of budget setting, our assurance / the level of risk of enrolment assumptions.

Gov. Prof.

### ii. University Studies Provision

Governors received and considered the report provided and E Lees provided a verbal update on the live application data compared to the budgetary target.

Governors noted the success of the new bus service for 16-18 students, and queried if this service is available to 19+ students and whether this would improve HNC/HND enrolments. The Principal Strategic Growth and Partnerships answered this.

Governors noted enrolments are behind target and queried what work is being taken to increase enrolments and retain students. E Lees answered this.

### iii. Apprenticeship Pipeline

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

Governors noted nationally apprenticeship uptake trends are less strong, and queried why the College is bucking this trend. P Stittle answered this.

Governors commended the report.

**iv. Adult Pipeline**

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

Governors commended the report.

**v. Full Cost Pipeline**

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

Governors queried if the current level of demand is sustainable. P Stittle answered this.

**13. Any Other Business**

None.

The meeting closed at 6.05pm