

## FINANCE COMMITTEE

### Minutes of the hybrid meeting held on 30 November 2023 at 4.30pm

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

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

**In Attendance:** A Brewster, Finance Manager  
A McGarel, CFO  
D Barton, Assistant Principal Adult (part)  
L Moody, Principal Strategic Growth and Partnerships (part)  
L Parish, Assistant Principal Apprenticeships (part)  
M Chatt, Interim CFO  
P Ewan, Head of Finance  
P Stittle, Executive Director Business Development  
S Gales, Governance Professional  
S Minns, Group Head of Admissions and Enrolment (part)

**Apologies:** E Lees, Executive Dean of Higher Education  
G Grainer, Chief Information Officer

#### **Absent:**

#### **1. 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 E Lees and G Grainger.

#### **2. Minutes of the meetings held on 1 November 2023**

The minutes of the meetings held on 1 November 2023 were **agreed** as an accurate record.

#### **3. Matters Arising from meetings held on 1 November 2023**

All matters arising from the previous meeting were complete.

Governors commended the energy contract report and the Interim CFO noted future reports specify who is authorised to approve the contract value – linked to delegated authority levels in the Financial Regulations – so it is clear if/what governance approval is required. Governors queried if there are other significant contracts which we should present in this way. The CFO to consider.

#### **4. 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 surplus position which is better than budget

Governors discussed the significant variance in net current assets and queried if this was a concern or due to the profiling over the year. The Head of Finance confirmed that this is due to the profiling over the year.

Governors queried how much of the challenge budget we have achieved. The Head of Finance confirmed that future meetings will receive reports to show progress against the challenge budget, as this is linked to continuous improvement of operational efficiency.

#### Action

CFO

Governors noted it would be helpful to provide additional commentary on the student income lines to show the risks and opportunities and how this will impact on funding allocations in future years.

Governors commended the 'risks and opportunities' section.

Governors discussed the cashflow forecast and queried if this based on worst-case assumptions. The Head of Finance confirmed it is, so will be improved by any additional grant income/efficiencies.

Governors discussed the implications of lagged funding and queried we would present/ assess financial risk (particularly to the bottom line) if significant student growth continues over multiple years. CFO to consider and report back.

CFO

Governors discussed the Bid Register report and queried why there seem to be fewer capital bids than in previous year. The CEO noted the DfE has changed the way it allocates capital funding to colleges, so the majority of bids are for revenue funding which are generally linked to curriculum delivery. Governors noted the original purpose of the Bid Register report to this Committee was to help Governors monitor the significant capital bids especially where there was match funding required) and queried whether this report should continue to be presented to Governance, and if so – whether to this Committee or Resources Committee, and whether its format should evolve to show the impact of the bids linked to the College strategy. The CEO and CFO to consider.

CEO  
CFO

#### 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: 12 green, 2 amber and 1 red.

Governors queried whether we need a revised metric to monitor the unbudgeted costs associated with supporting the additional students if we do not receive sufficient additional funding. The CFO to consider.

CFO

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

##### 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 if there are duplicate applications between WSC and ASFC. S Minns answered this.

The CEO noted that forecast enrolments for 2024/25 are strong but mean we need to increase capacity at WSC sixth form. The CEO noted we are reviewing the Property Strategy to plan how best to accommodate the students.

Governors queried why more students are applying to WSC sixth form – whether it was due to our proactive action or external factors such as other providers closing or their worsening quality/reputation. S Minns and the CEO answered this.

Governors noted we have enrolled more students than our ESFA funding allocation and sought confirmation that we are reporting the in-year costs in 2023/24 and recognising the additional associated income for 2024/25. The CFO confirmed this is how we are reporting it due to the lagged funding. The CEO explained the impact of the additional students on future years cohort sizes and how the senior team are working to plan for this.

##### ii. **University Studies Provision**

Governors received and considered the report provided.

C Higgins, as Chair of the HE Educational Excellence Committee, fed back from the UEA Institutional Review to this Committee.

Governors queried if the 2023/24 position could worsen in year if there are withdrawals. L Moody confirmed that it could. Governors asked the next report to include a worst-case forecast year end position.

L Moody informed that we are looking to expand our HE curriculum offer which will hopefully increase HE student numbers in the future.

### 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 commended the report which helps clarify how Apprenticeship income is calculated and forecast.

Governors asked the next report to include a worst-case forecast year end position.

L Parish

Governors noted employers can donate parts of their apprenticeship levy and queried if local businesses utilise this to support one another, and whether this could increase Apprenticeship uptake. P Stittle answered this.

### 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 which clearly identifies the opportunities, challenges and risks. Governors thanked P Wilson for his excellent work leading on UPD data.

### 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 commended the report.

D Barton, L Moody, L Parish, P Stittle and S Minns left the meeting at 5.44pm

## 7. **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**, **3 amber** and **4 yellow** risks.

Governors noted the version in the bundled papers is outdated and the individual report shows the updated post mitigation scores.

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

## 8. **2022/23 Audited Accounts**

Governors received and considered the Audited Accounts provided and the interim CFO summarised the report and the material changes made following the Audit and Risk Management Committee meeting on 20 November 2023.

Governors noted the External Audit is still ongoing and **approved** the Audited Accounts and **agreed to recommend to the Corporation**, subject to there being no further material changes. Governors **agreed** to reconvene if there are further material changes.

Governors recognised that this year's External Audit was not as smooth as in previous years and **agreed** to (with Audit and Risk Management Committee) review the process and lessons learned.

Finance &  
A&RMC  
Committee

## 9. **Any Other Business**

### i. **Letter from ESFA confirming financial health grade**

Governors received and noted the letter provided.

Governors commended the 'Outstanding' financial health grade.

**ii. Official opening of NCTC**

Governors commended all the teams involved in the outstanding official opening of NCTC event.

The meeting closed at 6.03pm