

FINANCE COMMITTEE

Minutes of the hybrid meeting held on 7 February 2024 at 11am

Present physically at WSC: N Savvas, CEO

Present virtually: A Duffety, Chair E D'Souza (part)
C Higgins, Vice Chair

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
L Moody, Principal Strategic Growth and Partnerships
L Parish, Assistant Principal Apprenticeships (part)
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: J Drake
M Chatt, Interim CFO

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 J Drake and M Chatt.

2. Minutes of the meetings held on 30 November 2023

The minutes of the meetings held on 30 November 2023 were **agreed** as an accurate record.

3. Matters Arising from meetings held on 30 November 2023

Five of the seven matters arising from the previous meeting are ongoing with two matters arising noted for future reports. The CFO provided a verbal update on the ongoing items.

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 growth case is based on post census numbers and queried the likely value. The CEO answered this and noted, that if it is awarded, this would cover the remaining challenge budget and contribute to 2023/24 pay costs. The CFO explained the impact of any growth case on the 2024/25 funding allocation.

The CFO outlined plans to create greater staff pay parity for comparable roles across the Group and Governors queried the likely annualised value of these additional pay costs. The CFO answered this.

The Head of Finance outlined the risks and opportunities associated with the challenge budget. Governors asked to receive a standalone analysis report for the challenge budget at the next meeting.

Action

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.

The CFO explained the rationale for the red KPI (linked to additional expenditure) and noted the growth case will mitigated the risk.

Governors noted the methodology for the metrics are independent of each other which is less helpful in explaining the inter-relation and asked the CFO to re-consider.

CFO

Governors discussed the KPI relating to the ESFA Financial Health Grade and queried if we are on track to achieve Outstanding. The CFO answered and agreed to review further.

CFO

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

i. **University Studies Provision**

Governors received and considered the report provided and E Lees summarised the key metrics for this year and for next year.

E Lees outlined the work underway with the Group's sixth form students to support progression into University Studies and to review University Studies curriculum offer to align to LSIPs and local demand and create progression pathways between L3 courses.

L Moody explained how we are working with businesses and demystify our offer and the CEO outlined the new differentiated marketing strategy.

Governors queried how this links to our Accountability Agreement. E Lees answered this.

ii. **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 queried the reference to the negative attrition value. L Parish explained this.

iii. **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.

E D'Souza and E Lees left the meeting at 12pm

iv. **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 noted the new delivery in Wales and Scotland and queried how this administered. P Stittle answered this.

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 discussed the applications from schools and queried whether we have any concerns or trends arising from school applications. S Minns answered this.

The Chair, on behalf of the Committee, thanked the Executive for their outstanding clear and sufficiently detailed reports.

D Barton, L Parish, and P Stittle left the meeting at 12.12pm

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 the risk rating of WSCR005 (relating to the AEB) and queried whether risks should be ranked on the incomes uncertainty or financial impact to the overall College budget, and queried if we capture the longer-term implications of risks.

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

A&RMC

S Minns left the meeting at 12.24pm

9. **Internal Auditor's Findings Report**

Governors received and considered the Internal Auditor's Findings Report for Control Account Reconciliations which took place in January 2024 and was graded as **reasonable assurance** and resulted in one medium and two low risk recommendations.

Governors discussed the management response to recommendation 3 and suggested the Executive update the management response to provide more clarity.

CFO
A&RMC

Governors queried if the implementation timeframe was achievable. The Head of Finance confirmed it was.

Governors discussed the management response to recommendation 1 and queried if less frequent reconciles provides sufficient control to mitigate the risk. The Head of Finance confirmed it was. The Committee suggested the Executive update the management response to provide more clarity.

CFO
A&RMC

Governors reviewed the report recommendations and the management response and **felt assured** by the actions proposed.

10. **Any Other Business**

i. Chair's Advisory Group

The Chair advised of plans to arrange a regular monthly meeting of the Advisory Group, but open to all governance members, to review the due diligence and plans associated with the inorganic growth opportunities.

The meeting closed at 12.28pm