

## FINANCE COMMITTEE

### Minutes of the hybrid meeting held on 16 February 2022 at 3pm

**Present physically:** N Savvas, CEO S Clarke, Chair

**Present virtually:** C Higgins E D'Souza  
C Ridgeon K Points  
D Wildridge, Vice Chair

**In Attendance:** A Wright, Group Director of Progression  
J Raffel, CFO  
R Bamford, Group Vice Principal Data and MI  
S Gales, Governance Professional

**Apologies:** S Healey Pearce

#### 1 Declaration of Interests and Apologies for absence

C Higgins, E D'Souza, N Savvas and S Clarke declared their roles as Governors of West Suffolk College. No other conflicts of interest in relation to the items of the agenda were declared.

Apologies were received from S Healey Pearce.

#### 2 Minutes of the meeting held on 1 December 2021

The minutes of the meeting held on 1 December 2021 were **agreed** as an accurate record.

Governors commended the Governance Professional on the ongoing accuracy of minutes.

#### 3 Matters Arising from meeting on 1 December 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.

MA1 S Clarke to work with J Raffel to identify the best groups of the income and expenditure account headings to aid the Committee to identify meaningful trends.

MA4 J Raffel to amend KPI 3 to be amber.

#### Action

JRaffel  
SClarke  
JRaffel

#### 4 Finance Report

Trustees received and considered the detailed financial report provided, and S Clarke summarised the key data:

- The year-to-date position is £1,125k which is £954k better than the budget

Trustees queried the forecast full year position. J Raffel advised that the position has not been re-forecasted since October 2021, though advised that the budget was set expecting a greater rate teacher pay scale inflation than has been agreed.

Trustees discussed and agreed that it would be helpful to see forecasted figures at each meeting of the Committee. J Raffel to share the re-forecasted figures monthly.

Trustees queried the metrics used to forecast the potential best-case and worst-case scenarios. J Raffel advised that the potential best-case scenario included a reduction in budgeted teacher pay scale inflation compared to the percentage budgeted, plus continued savings in payroll costs, staffing costs and non-pay costs; with the potential worst-case scenario based on the reverse position and additional costs associated with hiring people at the top of the scale. Trustees asked J Raffel to include a summary of the metrics used to forecast these, in future reports.

JRaffel

JRaffel

Trustees queried whether rising energy prices are a concern. J Raffel advised that we are currently looking at our contracts to see what flexibility the Trust has to change / renegotiate energy suppliers if needed.

## 5 **Key Performance Indicators**

Trustees received and considered the KPI report provided, and S Clarke noted that of the KPIs, RAG rating of the data shows: 5 green, 1 amber and 3 red.

Trustees noted that, due to the lack of reforecasting, KPIs 2 – 4 are unchanged from the previous report.

Trustees noted that of the red KPIs all remain as discussed at the last meeting, and discussed that though current student numbers have slightly dipped below target resulting in the amber KPI this happened after the census point so does not affect income.

Trustees queried the KPI relating to student application numbers for 2022/23 and asked if this was consolidated with applications to ASFC and OSFC. J Raffel confirmed it was, with separate KPI reports Appended.

Trustees agreed to reconsider the KPI relating to current student numbers to best monitor current student numbers up to the census point, which directly affects the Trust's income, and to monitor current Year 12 student numbers as a crucial metric which informs forecasting for Year 13 student numbers and next year's income.

JRaffel

## 6 **Applications**

Trustees received and considered the report provided, and A Wright summarised the key data to date:

- Circa 900 submitted applications for ASFC
- Circa 1,500 submitted applications for OSFC

A Wright informed that OSFC is behind last years submitted applications, however the team are working on a multi-strand approach to engage with feeder schools and prospective students. N Savvas also advised that OSFC has a new website which is more interactive which is helping support students to apply.

Trustees queried how we are working with OSFC's feeder schools. A Wright summarised the approach taken and how applications and interactions are tracked to monitor trends and where best to deploy resources.

N Savvas added that the leadership team at OSFC are proactively working with prospective students and counterparts in feeder schools to support applications.

## 7 **Treasury Management Policy**

Trustees received, considered and **approved** the tracked changes updated policy provided, subject to reference to I&E report being amended to the Finance Report

JRaffel

## 8 **Financial Regulations**

S Gales advised that a comprehensive review of the Financial Regulations is underway to strengthen the negotiated procurement policy, to slim the document down and use simple language wherever possible to increase accessibility, and to cross check against the latest version of the Academies Trust Handbook to ensure compliance and lessen the likelihood of future related party transaction submissions being rejected.

S Gales informed that wherever possible the formatting structure of the Financial Regulations will align to those of the sponsor to best support Group working; and proposed, for additional assurance, that the Financial Regulations be reviewed by the external auditors to confirm compliance.

Trustees **agreed** with this approach and asked S Gales to highlight any substantive changes to operational procedure compared to the current version of the Financial Regulations, in the version presented to the Committee.

SGales

**9** **Contracts awarded (between £50k and £100k)**

Trustees received and considered the report provided which outlined the contracts approved by the Executive between the value of £50,000 and £100,000 in 2021.

Trustees queried to what extent has the Group been able to achieve beneficial pricing arrangements for larger contracts. J Raffel advised that the Group has been able to achieve savings; but noted that due to related party transaction rules the Trust and its sponsors are invoiced separately.

**10** **Schools Resource Management Self Assessment**

Trustees received and considered the draft self-assessment submission.

Trustees discussed question 15a and, noted that whilst we have evidence of this, for future years to have a stand-alone 'going concern assessment' report produced by the CFO annually.

JRaffel

Trustees **agreed to recommend** the self-assessment submission to the Trust Board for approval prior to submission. The Committee asked S Gales to add an agenda item at the next Trust Board meeting to determine whether the approval of future submissions of this self-assessment could be delegated to the Committee.

SGales

**11** **Any Other Business**

• **Circulation of monthly accounts**

Trustees agreed to use GovernorHub to circulate the financial accounts monthly, to all Trustees.

The meeting closed at 4.15pm