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## **MINUTES OF A MEETING OF THE FINANCE & RESOURCES COMMITTEE HELD ON WEDNESDAY 14<sup>TH</sup> JUNE 2023**

### **Present**

Angela Briggs	Governor
Karen Jackson	Governor (via MS Teams)
Emma Kirk	Staff Governor
John Rees	Governor
Paul Scanlon	Governor

The quorum for the meeting was three Members (at least 2 external). The meeting was quorate.

### **In attendance**

Sharon Harmon	Clerk to the Corporation
Barrie Shipley	Chief Operating Officer, Finance & Infrastructure (COOF&I)
Rachel Maguire	Chief Operating Officer, People & Information (COOP&I)
Daniel Wilson	Vice Principal, Business Growth, Skills & Partnerships (VPBGS&P)

The meeting was held by at Doncaster College and commenced at 5.30 pm.

<b>Item</b>	<b>Minute</b>	<b>Action</b>
<b>1</b>	<b>Apologies</b>	
	Apologies for absence were received from Mark Swales, Governor.	
<b>2</b>	<b>Declarations of Interest</b>	
	Members should declare any personal or financial obligation, allegiance or loyalty which would in any way affect decisions in relation to the subjects under discussion.	
	There were no declarations of interest made.	
<b>3</b>	<b>Minutes of the Finance &amp; Resources Committee Meeting held on 28 February 2023 and any matters arising</b>	
	The minutes of the Finance & Resources committee meeting held on 28 February were agreed as a true and accurate record for signing by the Chair.	
	There were no matters arising.	
<b>4</b>	<b>Fees and Charges Policy for Sub-Contracts</b>	
	The VPBGS&P presented the Fees and Charges Policy for Sub-Contracts for committee approval.	
	The VPBGS&P explained that the policy has been revised and updated in line with the introduction of ESFA subcontracting standards (August 2022) and was approved by the Senior Leadership Team on 26 April 2023.	

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Member asked what checks and balances were in place to support the policy. The VPBGS&P explained the due diligence process and confirmed all contracts are centrally logged and tracked.

Members considered and discussed the Fees and Charges Policy for Sub-Contracts.

**Resolution:** The Finance and Resource Committee approved the Fees and Charges Policy for Sub-Contracts.

## 5 Performance Monitoring / Recruitment of Learners

The VPBGS&P presented an update report focusing on the recruitment of learners across all groups. Members noted the contents of the report including the financial data, commentary, planned actions and mitigations. The new report format was well received by members.

Members had a full discussion about recruitment strategies and financial and curriculum planning. Members considered how to track the success of actions and mitigations. Members agreed it would be useful to see tracking data from enquiry to enrolment in future reports if available.

Members asked if the month could be included along with the RO number in data reporting tables.

Members considered the curriculum tracking data tables and agreed it would be helpful to continue to see these tables in future reports.

Members asked how the data is audited. The COOP&I explained the systems of compliance checking and that work is being undertaken on improving systems, and investing in the MIS team to ensure the right skills to ensure data robustness.

## 6 Management Accounts to 30 April 2023

Members received the Management Accounts to 30 April 2023 providing an update on financial performance for the period August 2022 – April 2023.

Members noted and discussed the following headline points:

- YTD financial performance adjusted operating deficit of £459k vs budget deficit £908k. A positive variance of £449k
- Further HE withdrawals of £250k within the period.
- Apprenticeship income reduced, closely monitoring pipeline conversions. Revised forecast of £8.1m at risk.
- AEB Income performance good YTD with additional growth case allocation, however, this has incurred additional expenditure.
- Agency cost pressures continue for hard to recruit engineering roles.
- Revised Forecast Outturn £1.47m adjusted operating deficit vs. £1.25m budget deficit.
- Audit clawbacks of £337k
- Compliance pressure on banking covenants and ESFA financial health. Headroom reduced to £455k. Mitigating actions being explored.
- Delays in capital expenditure have increased cash position. Capital projects have been out to tender and have realised savings by awarding to a single contractor. However, these savings have been utilised to increase the provision for the DC roof works. Both the IOT and T-level works contain sizeable contingencies that we expect to realise further savings from.

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	<ul style="list-style-type: none"> <li>IOT legal entity completed, and commercial and legal agreements signed. Bank account to be setup. This can take up to 8 weeks which may delay receipt of capital funding.</li> </ul>	
	<p>Members considered the YTD performance noting the offsetting of reduce income with mitigation actions such as the cost improvement programme. Members discussed the recurrent impact and noted there was a column missing from the income and expenditure actuals by period table.</p>	
	<p><b>Action:</b> The Clerk agreed to recirculate the table to the committee with missing columns included for information.</p>	<p><b>Clerk / COOF&amp;I</b></p>
<b>7</b>	<b>Estimates of Income and Expenditure 2023/24 and three year Financial Plan</b>	
	<p>The minutes of this item are considered confidential and held separately by the Clerk to the Corporation.</p>	
	<p><i>Note: KJ – left meeting at 7.30pm</i></p>	
<b>8</b>	<b>Financial Regulations</b>	
	<p>Members reviewed the updated DN Colleges Group Financial Regulations noting the regulations have been updated following the ONS re-classification of the FE sector into the public sector and to reflect structural changes and responsibilities. The COOF&amp;I outlined the updates.</p>	
	<p>Members agreed it would be useful to see the document with track changes before approving and agreed to formalise approval via written Resolution following the meeting.</p>	
	<p><b>Action:</b> The Clerk / COOF&amp;I to circulate the updated Financial Regulations with track changes to the F&amp;R committee for review and approval via Written Resolution.</p>	<p><b>Clerk / COOF&amp;I</b></p>
<b>9</b>	<b>Support Services Autumn Term reports</b>	
	<p>Members received a Estates Capital Works update report. Members noted the contents of the report and remarked on the amount of work been carried out by the Estates Team and passed on their thanks to the team for all their hard work. Members remark on the NLC project walk though presentation and agreed it should be made available at the Corporation Board meeting on 5 July 2023.</p>	
	<p><b>Action – Clerk</b> make NLC project walk though presentation available at Board meeting.</p>	
	<p>The COOF&amp;I provided an update on digital strategy. Members noted the contents of digital update report. Members thanked the COOF&amp;I for the informative update.</p>	
<b>10</b>	<b>Sustainability Update</b>	
	<p>Members received a Sustainability update report is providing an update on the progress made by the Group towards meeting its sustainability strategic objectives.</p>	
	<p>Members noted the following key highlights from the report:</p>	
	<ul style="list-style-type: none"> <li>The College was successful in a bid for Salix funding, however, has had to abort the proposed project due to increased match funding requirements.</li> </ul>	

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- Two new electric vans and fleet charging stations have been delivered and installed.
- Recycling bins procurement concluded with framework identified. To be progressed.
- Solar Panel arrays scoped and planned to be completed over the summer at UCNL.
- The College is involved in 'Environmental Pride', where communities can bid for funding for sustainable community projects. A 'Dragons Den' panel is being arranged for bids to be presented that will be held at Doncaster. This also presents an opportunity for staff and students to be involved.
- Issues with the Ground Source Heat Pumps installed at NLC continue, with final sign of and commissioning outstanding.
- A number of staff have taken delivery of electric vehicles via the salary sacrifice, with further staff waiting on delivery dates.
- Re-tender of energy suppliers completed, with 100% renewable energy.
- New Cycle shelter installed at DC following a grant from Doncaster Council.
- Scoping of printing facilities tender commenced.

Members noted the contents of the final draft Streamlined Energy and Carbon Report (SECR) for 2021-22 with updated graphics and the update to the Group's current action plan.

## 11 Terms of Reference and workplan for 2023/24

Members reviewed the Terms of Reference for the Finance and Resources Committee and considered the proposed updates.

Members agreed the following revisions to the Terms of Reference for the Finance and Resource Committee for 2023-24:

- Removal of clause 2.3 'Members of the Finance and Resources Committee shall not serve on the Audit Committee'.
- Removal of clause 6.13 'To receive reports on employee relations including reports of matters discussed at the Joint Consultative committee'. This is the remit of the People and Transformation Committee.
- Removal of clause 6.17 'To review and approve the Student Union Constitution and receive its annual financial accounts'. This clause is not relevant to DNCG.
- Add clause 6.16 'To review and advise on the Group's sustainability strategy'
- Add clause 6.18 'To provide oversight and risk management of risks that are delegated to the committee by the Corporation Board.'

**Resolution:** The Finance and Resource Committee approved its Terms of Reference for 2023-24 including agreed revisions for recommendation to the Corporation Board for approval at its meeting on 5th July 2023.

Members considered the proposed Cycle of Business for the Finance and Resources Committee for the forthcoming year 2023-24. Members agreed the Cycle of Business with no changes.

**Resolution:** The Finance and Resource Committee approved the proposed Cycle of Business for recommendation to the Corporation Board for approval at its meeting on 5th July 2023.

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**12 Risk Register Review**

The COOF&I presented the Group Risk Register. Member noted a revised risk reporting format which has been redesigned for easier tracking of risk, levels of assurance and actions being taken to manage and/or reduce risks. Members noted the strategic risk summary for the strategic risks for which the Finance and Resources Committee has oversight. Members agreed the new format of the Risk Register was an improvement and was well thought out.

**13 Governance QIP**

Members noted updates on progress against targets set out in the Governance QIP.

**14 Committee Chairs Report to Corporation Board**

Members considered the business of the meeting to note the key items for feedback to the Board, including any changes to strategic risks for which the committee has oversight. Members agreed to highlight budget pressures around financial planning and risks around capital projects.

**15 Any Other Business**

Members thanked Paul Scanlon for his time on the Finance and Resources Committee as this was his last meeting before stepping down from the Corporation Board.

**16 Date and Time of Next Meeting:**

To be confirmed.

The meeting closed at 8.06 pm

**Sharon Harmon**  
**Clerk to the Corporation**

**Signed:** ..... (Chair)

**Date:** .....

<b>TABLE OF ACTION</b>				
<b>Date</b>	<b>Item</b>	<b>Action</b>	<b>Responsibility</b>	<b>Date Due</b>
14/06/23	6	Recirculate the sheet from Management Accounts with missing columns included to the committee.	Clerk / COOF&I	June 2023
14/06/23	8	Circulate the updated Financial Regulations to committee with track changes for review and approval via written resolution.	Clerk / COOF&I	June 2023
14/06/23	9	Make NLC walkthrough presentation available at Board meeting on 5 July.	Clerk	5 July 2023