

MINUTES OF A MEETING OF THE FINANCE & RESOURCES COMMITTEE HELD ON MONDAY 2ND DECEMBER 2024

Present

Peter Grant	Governor (Acting Chair)
Emma Kirk	Staff Governor
Philippa Poland	Governor
John Rees	Governor (CEO)
Lee Walker	Governor (Coopted Member for this meeting)

The quorum for the meeting was 40% of Members, at least 3 external. The meeting was quorate.

In attendance

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

The meeting was held on MS Teams and commenced at 5.10 pm.

Item	Minute	Action
1	Apologies	
	Apologies for absence were received from K Jackson (Chair of the F&R Committee), A Briggs (Chair of the Corporation Board) and T Greaves (Governor).	
2	Declarations of Interest	
	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 declarations of interest made.	
3	Minutes of the Finance & Resources Meeting held on 24th June 2024 and any matters arising	
	The minutes of the Finance & Resources Committee meeting held on 24 th June 2024 were agreed as a true and accurate record.	
	Matters Arising	
	The CEO provided an update on schools' liaison and confirmed a regular schedule of school engagement was planned.	
	The COOFI confirmed that the Streamlined Energy and Carbon Report is published on the College website.	
4	Risk Register Review	
	Members received the Group Risk Register. Members reviewed and discussed the strategic risks for which the committee has responsibility for oversight. Members noted updates to controls, assurances, mitigations, and planned actions around each risk. Members considered the residual risk score for these risks noting that	

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	<p>there had been some positive assurances provided but at this point there has been no change to the residual risk scores which all currently sit within target risk score. Members were satisfied the current risk ratings were appropriate.</p>	
5	<p>Recruitment of Learners</p> <p>The Vice Principal, Business Growth, Skills & Partnerships (VPBGSP) presented a recruitment of learners update report. Members noted the contents of the report covering an update on recruitment of learners for 2024/25 enrolment and 2025/26 applications to date, an update on projects, subcontractors, funding and further recruitment activities.</p> <p>Members discussed the growth in enrolment on Education Programmes for Young People and considered the strategies and demographics supporting this growth.</p> <p>Members noted and discussed the update on funding streams and financial impacts across provision.</p> <p>Members thanked the VPBGSP for the update report.</p>	
6	<p>Management Accounts to end October 2024</p> <p>The COOFI presented the Management Accounts to 31st October 2024. Members noted the contents of the report providing an update on financial performance to 31st October 2024, and current forecast outturn for the 2024-25 financial year following student recruitment.</p> <p>Members noted and discussed variants in income and expenditure vs budget. Members discussed the impact of the increase in national insurance contributions and national living wage from April 2025. Members noted the funding position has not yet been set out and this increase could increase pressure on finances in future years.</p> <p>Members noted that the year-to-date financial performance adjusted operating surplus vs budget deficit provides a positive variance. Members were assured of banking covenant compliance and financial health expected to be achieved.</p> <p>Members noted an additional provision of funds for North Lindsey Campus in relation to the new build project to be discussed under item 8 Estates update.</p>	
7	<p>Financial Statements and Regularity Assurance Report 2023/24</p> <p>The COOFI presented the draft Annual Report and Financial Statements for the DN Colleges Group for the year ended 31 July 2024, the final external auditors annual finding report and the letters of representation.</p> <p>Members considered the draft Annual Report and Financial Statements 2023/24. Members noted the draft Annual Reports and Financial Statements 2023/24 had been presented to and scrutinised by the Audit and Risk Committee at their meeting on 27 November 2024 at which the auditors were in attendance. The COOFI reported that the sets of accounts for the two trading subsidiaries Kingsway Consulting and Optime Support have been fully audited. The accounts were approved by the subsidiaries Boards at their respective Annual General Meetings on 27 November 2024. The COOFI confirmed that any profits generated within these organisations are gift aided back to DNCG under a deed of covenant. The COOFI explained that Doncaster College and North Lindsay College subsidiaries are not trading therefore dormant accounts. Members noted that the Group had achieved Financial Health 'Outstanding' and met all banking covenants.</p>	

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Members considered the external auditors report and were assured that the external auditors had issued an unqualified audit opinion on all entities in the Group.

Members noted the declarations set out within the letters of representation which will be presented to the Corporation Board for signing.

Resolution: The Finance and Resources Committee endorsed recommendation of the approval of the Annual Report and Financial Statements for the DN Colleges Group for the year ended 31 July 2024 to the Corporation Board.

8 Estates Update

The COOFI presented an Estates update report providing an update on the progress of existing capital works and potential future works and a general Estates department update.

Members noted the extensive works completed in 2023/24 and recorded their appreciation to the Estates Team. Members reviewed the current projects and performance. Members noted the Estates master planning and strategy is progressing and will link with curriculum review and digital strategy. Members noted the update on the Estate Team and discussed resource pressures in the department.

Members discussed progress on the NLC project noting works are progressing well. Members noted some occupancy challenges are being worked through and sought assurances around risks to be resolved.

Members considered a proposal to utilise additional surplus from the 2023/24 financial year to increase the NLC re-development budget by an additional £300k to fund new furniture and to mitigate the decant risk and provide a better staff/student experience.

Resolution: The Finance and Resource Committee endorsed the recommendation to the Corporation Board to approve the recommended capital expenditure to increase the NLC re-development budget by an additional £300k.

9 Sustainability Update

The COOFI presented a Sustainability update report providing an update on the progress made by DNCG towards meeting its sustainability strategic objectives. Members noted the update to the Group's current action plan and progress made against the plan. Members discussed external pressures and challenges to delivery.

Members reviewed the Streamlined Energy and Carbon Report (SECR) 2023-24 draft data to be finalised for publication. Members were assured by the continued reduction in the Group's carbon footprint, with a reduction in carbon emissions of 26% compared to the 2018/19 baseline.

The COOFI reported that the AOC and EAUC have re-launched the Climate Action Road Map for the FE Sector and assured the committee that a review of the existing action plan will be undertaken and compared against the latest guidance.

Members noted and congratulated the College on the works completed which have improved the condition and suitability of existing space. Members were assured

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	that the project pipeline will continue to improve the estates condition, suitability, and environmental impact.	
10	<p>Review of the F&R Committee Performance 2023/24 and Terms of Reference</p> <p>Members considered the performance of the Finance and Resources Committee in 2023/24 measured against the committee's Terms of Reference.</p> <p>Members noted that the External Board reviewer had sampled and observed the work of the committed as part of the External Board review and had endorsed the effectiveness of the committee in the review findings. Members further noted that the key risks on the Group risk register for which the committee has responsibility for oversight had reduced over the period under review.</p> <p>Members agreed that the Committee had met its responsibilities set out in its Terms of Reference and that it had been effective in carrying out its remit.</p> <p>Members considered any further development which could enhance the effectiveness of the committee for 2024/25. Members discussed areas of focus and priorities going forward. Members agreed to review the membership of the committee.</p> <p>Members reviewed the Committee's Terms of Reference (ToRs) and agreed they remain appropriate.</p> <p>Resolution: The Finance & Resources Committee approved the Committee's Terms of Reference for recommendation to the Corporation Board for approval without any updates.</p>	
11	<p>Committee Feedback to Board</p> <p>Members considered the business of the meeting and recorded key items and any changes to strategic risks identified for feedback to the Corporation Board in the Committee Chair's Report. The following items were highlighted for inclusion:</p> <ul style="list-style-type: none"> • The Committee reviewed and recommended the approval of the draft Report and Financial Statements 2023/24 to Corporation Board. • The Committee considered and recommended the approval of the proposed additional capital expenditure to increase the NLC re-development budget by an additional £300k to the Corporation Board. 	
12	<p>Any Other Business</p> <p>There were no items of any of other business.</p>	
13	<p>Date and Time of Next Meeting:</p> <p>Members noted that the next Finance & Resources Committee meeting is scheduled for Wednesday 5th March 2024 at 5.30 pm at North Lindsey College.</p>	

The meeting closed at 6.35 pm

Sharon Harmon
Clerk to the Corporation

Signed: (Chair)

Date:

TABLE OF ACTION				
Date	Item	Action	Responsibility	Date Due