

# East Coast College Finance and General Purposes Meeting

19<sup>th</sup> March 2024 1pm Board Room L6FC

Present:	Committee Chair - Ian Lomax (IL) Mike Dowdall (MD and Estates Chair) Joe Rahman (JR) Peter Blackburn (PB) Logan-Jaimes Gravells (LG student governor) and on teams David Blake (DB Corporation Chair)	
<b>In attendance:</b>	Urmila Rasan (Deputy Chief Executive) (Head of Finance) Paul Padda (PP Interim Principal and CEO) Lucy Wharry (Head of Finance) Charlotte Burgess (Deputy Head of Finance) and Wendy Stanger (Director of Governance)  And observing new governors Vicki Paterson and Graham Evans	
<b>F/24/03/1</b>	<b>Apologies and membership</b>	
Apologies – none as all in attendance.		
<b>F/24/03/2</b>	<b>Declarations of Interest</b>	
MD declared an interest due to being an employee of the LEP. It was agreed that this declaration did not preclude his full participation in the meeting.		
<b>F/24/03/3</b>	<b>To approve the Minutes of the meeting of the 19 February 2024 and any other matters raised previously not otherwise included in the Agenda</b>	
The minutes of the meeting held on 19 February 2024 were approved as a true and accurate record of the meeting.  An article in the Sunday Times about the growth of young people not in work or education and the need for additional mental health support was discussed.		
<b>F/24/03/4</b>	<b>To review the post-meeting action log</b>	
The action log was reviewed.  19 2 24 F/24/02/7 – the Deputy Chief Executive advised that the curriculum plan for The Place was currently showing no growth and this would now be reviewed through the budget process. The Interim Principal and CEO commented that there was a need to maximise numbers and retention on the current HE courses.		
<b>F/24/03/5</b>	<b>Deputy Chief Executive Update</b>	
The Deputy Chief Executive presented the report and updated on the estate development. The redevelopment of the Great Yarmouth campus was in planning and it was hoped that this would be completed by the end of March, with contracts signed Mid-June. Initial decants are due to commence in June and be completed over the summer and include a temporary car park, relocation of Reception, Animal Care (At Cost building) and Estates.  The Committee discussed the Estate Development and queried the impact of the late opening of The Place. The Interim Principal and CEO commented it was disappointing		

that the opening had been delayed until January 2025 but this would be managed to minimise student and staff disruption and consultation on this was ongoing.

The Deputy Chief Executive advised that discussions were ongoing regarding the Centre of Excellence for Healthcare Apprenticeships, which had been considered by the July 2023 Board. This is a collaboration agreement with University of Suffolk and 4 other partners and clarity was needed on outcomes and expectations of each partner and what the allocated capital and revenue awarded to the College could be used for.

**F/24/03/6**

**Management Accounts and Mid-Year Forecast**

The Deputy Chief Executive presented the management accounts which included the Mid-Year forecast. Financial Health was good, with the ratios above target, and could rise to outstanding as the loans reduced further. The management accounts had been revised to provide additional information, including student numbers, Apollo Project and curriculum area EBITDA analysis, as well as the additional summary and KPI tables.

The Committee thanked the Deputy Chief Executive for the revised management accounts and agreed that the accounts were now more accessible.

Governors challenged progress on the Apollo Project and the risk that this caused the College. The Deputy Chief Executive advised that the College had not met its targets and the income had therefore not been released. There had been some issues with recruiting staff which had impacted delivery. The targets were cumulative which could result in income being in a different accounting period to the expenditure.

Governors queried the College's level and process for bad debts. The Head of Finance advised that the level of bad debt compared to income was low and that debts were referred to an agency for chasing.

Governors challenged progress with apprenticeships and noted that recruitment was below target with a reduced forecast. The Deputy Chief Executive advised that work was still ongoing to clear the records and staff resources with the technical knowledge had been invested to resolve this. The Interim Principal and CEO advised that it needed to be ensured that the correct processes were in place, the College was compliant and that the College's timely achievement rates improved. Recruitment had reduced due to reduced housebuilding and in some areas due to poor reputation.

**F/24/03/7**

**Departmental EBITDA Review**

The Deputy Chief Executive presented the revised EBITDA Review which now included Departmental % share of income and departmental EBITDA %.

Governors discussed the report and agreed that costs needed to be reviewed, with ideas such as sponsorship to reduce costs considered. The departments with a negative EBITDA such as work based learning and maritime needed to be reviewed to see how this could be improved.

The Interim Principal and CEO advised that maritime had now started to grow again but the College was unable to enrol all applicants as the University of Suffolk, who the provision was through, would not allocate additional Confirmation of Acceptance for Studies (CAS) as they did not have the capacity. The College was therefore looking at whether the College should apply for a new Tier 4 licence. There was an improvement plan in place for work based learning, which had been shared with Governors and was being worked through.

Governors queried how the College was using AI to support learning and whether there was an opportunity to help reduce costs. The Interim Principal and CEO advised that the College was at an early stage in the use of AI and was looking at it to help reduce workload in areas such as lesson planning, content and example exam questions. Jisc had recently published 'Principles for the use of AI in FE colleges' which the College was considering. The student governor commented that at the Sixth Form they were looking at the accuracy of AI.		
<b>F/24/03/8</b>	<b>Capital Budget</b>	
<p>The Deputy Chief Executive presented the report and advised that following the departmental Performance Management Business Planning meeting it was identified that additional capital was required. This would be funded by the higher than forecast EBITDA.</p> <p><b>The Committee resolved to approve:</b></p> <ul style="list-style-type: none"> <li><b>additional capital expenditure of £150,000 in the current financial year</b></li> </ul>		
<b>F/24/03/9</b>	<b>Sub-Contracting</b>	
<p>The Deputy Chief Executive presented the subcontracting report which covered an update on the current year and tender details for 2024/25. There was no proposal to change the subcontracting apart from an increase in numbers for Inspire Suffolk.</p> <p>Governors challenged the reasoning for subcontracting. The Deputy Chief Executive advised that the areas subcontracted were specialist provision that the College did not provide.</p> <p><b>The Committee resolved to:</b></p> <ul style="list-style-type: none"> <li><b>note the management and quality assurance report on subcontractors</b></li> <li><b>approve an increase of 6 students in the Inspire Suffolk offer for the May 2024 cohort</b></li> <li><b>recommend to Corporation the issue of a tender document for the sub-contracted provision detailed in the report for 2024/25.</b></li> </ul>		
<b>F/24/03/10</b>	<b>Projects Register of Bids</b>	
<p>The Deputy Chief Executive presented the report. The register has been developed in order to:</p> <ul style="list-style-type: none"> <li>Optimise opportunities for College bids</li> <li>Track success of bids</li> <li>Ensure capacity exist within the College to deliver the activities successfully</li> <li>Allocate ownership of bids to departments.</li> </ul> <p>The register would be monitored by the Senior Team.</p> <p>Governors challenged who would determine which bids were made. The Interim Principal and CEO commented that the Senior Team would determine the bidding based on cost of bidding, College capacity, value for money and return on investment.</p>		

<b>F/24/03/11</b>	<b>Finance Risk Register</b>	
<p>The Deputy Chief Executive advised that the risk register was reviewed at the February 2024 meeting and had therefore not been reviewed for this meeting. Subsequent to the February review an additional risk has been added, 'S01T23 Additional unplanned expenditure to pay historic missing pension contributions.' This has been added due to missed pension pre-merger contributions being identified. A review of all employees' pension contributions has commenced and will be completed by June 2025 at the latest. The review will consider those closest to retirement first.</p> <p>Governors challenged if devolution and new entrants into the market was included in the risk register. The Director of Governance advised that new entrants into the market would be a cause of the College not meeting its recruitment targets and these types of risks were included within the Curriculum Growth and Development register. The Interim Principal and CEO advised that the College was working with the Counties to mitigate any risk of devolution on the offer</p>		
<b>F/24/03/12</b>	<b>QD001 Health, Safety and Wellbeing Policy</b>	
<p>The Deputy Chief Executive presented the reviewed policy and advised that no significant amendments had been made.</p> <p>Governors challenged if a three year review was appropriate. The Deputy Chief Executive advised that if there were any material changes required within the three years a revised policy would be brought for approval.</p> <p>Governors queried the Health and Safety requirements of the Great Yarmouth new build. The Deputy Chief Executive advised that the compound would be the responsibility of the contractor</p> <p><b>The Committee resolved to recommend</b></p> <ul style="list-style-type: none"> <li>• <b>QD001 Health, Safety and Wellbeing Policy for approval to the Corporation.</b></li> </ul>		
<b>F/24/03/13</b>	<b>Agenda Planning</b>	
<p>Apollo</p> <p>Apprenticeships</p>		
<b>F/24/03/14</b>	<b>Review of Meeting</b>	
<ol style="list-style-type: none"> <li>1. Confidential Items - None</li> <li>2. Were Learners prominent in discussions? Yes - in the reports on the agenda</li> <li>3. Risk Management: any issues discussed which may require an additional Assessment – no additional risks</li> <li>4. Equality &amp; Diversity: any issues discussed which may require an additional Impact Assessment – None</li> <li>5. Health &amp; Safety: any issues discussed which may require an additional Impact Assessment – new build</li> <li>6. Sustainability: any issues discussed which may require an additional Impact Assessment – none</li> <li>7. Media: any issues discussed to inform local media - None</li> <li>8. How did the meeting go – a good meeting.</li> </ol>		

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