

BUSINESS SERVICES COMMITTEE

Minutes of a meeting held on Monday 25 November 2024 at 5.30pm remotely via Zoom

Present	Patrick Tigwell	Chair
	Carol McCormack	Vice Chair
	John Laramy	Principal/CEO
<i>From item 3</i>	Graham Atkins	
	Stewart Noakes	
	Cynthia Sedgman	
	Stephen Wiltshire	
	Sally Wolkowski	
Apologies	None	
Observers	None	
In Attendance	Richard Church	Chief Operating Officer
	John Dowell	Executive Director of Finance
<i>Items 5 and 6</i>	Steve Strang	Executive Director of Estates and Sustainability
<i>Items 4.2 and 4.3</i>	Toby Coombes	Executive Director of College Information Services
	Alison Layton-Hill	Head of Governance

Action

1. **Welcome, Apologies and Declarations of Interest**
The Chair welcomed colleagues to the meeting. There were no apologies or declarations of interest received.
2. **Minutes**
 - 2.1 The minutes of the meeting held on 23 September 2024, as circulated, were agreed.
 - 2.2 The confidential minutes of the meeting held on 23 September 2024, as circulated, were agreed.
3. **Matters arising**
 - 3.1 Impact of private schools VAT
The Committee noted that it was a little early to evaluate the impact of the imposition of VAT on private schools, however it was felt unlikely to have a significant influence on learner recruitment.

The Committee noted the update

- 3.2 Analysis of high needs cost
Item 3.2 was dealt with as a confidential item and recorded in the confidential minutes.
- 3.3 Impact of increase to Employers NI
The Committee was advised that funding will be made available to offset the increase to employers NI for FE Colleges, however it was not clear if this would fully fund the additional cost.

The Committee noted the report

4. Risk Management

- 4.1 Risk Register
The Risk Register that had been scrutinised by the Audit and Risk Assurance Committee on 18 November 2024 was received. The Executive Director of Finance highlighted the changes. A new risk had been added relating to the uncertainty around changes to the apprenticeship levy and whether nationalisation of the railways may impact apprentices.

It was confirmed that risk 2.32 relates to IT service provision as well as IT security. Further to discussion under item 3.2 it was questioned whether a specific risk should be dedicated to funding the HILL provision to ensure it retains a focus. It was suggested that this risk could be incorporated within the risk 2.62 – capital and revenue projects.

The Committee agreed that the senior leadership team will consider where the risk related to high needs costs is best placed

JD/RC

- 4.2 Risk Deep Dive – IT Security
Governors received a presentation of assurance related to the IT Security risk.

In response to governor question it was advised that the main cyber risks emerge from curious learners, but the College is also wary of those seeking monetary gain and political hacking is increasing. Attempts to hack the College are frequent and provide a valuable learning opportunity related to their methods. The primary reason for attack is to attempt to encrypt the system and demand a ransom.

The Committee sought assurance that the College had processes to manage its technical debt and service resilience. The Executive Director of College Information Systems to communicate directly with SW. It was also confirmed that the College has specific cyber insurance.

TC

The Committee agreed to send suggestions for another risk deep dive to the Head of Governance in advance of the next meeting.

All

The Committee noted the assurance provided by the report

4.3 Student Recruitment

The Committee noted that student recruitment had been positive across most areas with only HE being slightly under that budgeted for. 16-18 recruitment would result in the College receiving in year funding.

The Committee noted the assurance provided by the report

Steve Strang joined the meeting

5. **Strategic Matters**

5.1 Opportunities and Developments Risk Register

Item 5.1 was dealt with as a confidential item and recorded in the confidential minutes.

6. **Property Matters**

6.1 Estates Masterplan

Item 6.1 was dealt with as a confidential item and recorded in the confidential minutes.

6.2 Property Update

Item 6.2 was dealt with as a confidential item and recorded in the confidential minutes

Steve Strang left the meeting

7. **Statutory Accounts for Year Ended 31 July 2024**

7.1 Key Issues Discussion Document (KIDD)

Bishop Fleming, the external auditors had attended the Audit and Risk Assurance Committee on 20 November 2023 and the Audit and Risk Assurance Committee had agreed to recommend the KIDD to the Board on 13 December 2024. Bishop Fleming had received all that was required to be able to issue a clean audit opinion, there were no control issues identified and all previous actions had been completed. There had been no material errors or concerns.

This item was further discussed and recorded in the confidential minutes.

The Committee noted the KIDD

7.2 Exeter College Financial Statements

The Committee received the Exeter College Financial Statements and noted that the operating surplus was in line with expectations and the balance sheet was strong. The cash balance was confirmed and the auditor was of the opinion that the accounts are a true and fair view of the College's affairs and funds had been applied as intended.

The Principal/CEO expressed his thanks to the Executive Director of Finance and the team for their work to ensure a clean audit. The Committee endorsed the Principal/CEO's comments.

The Committee:

- a) agreed to recommend the Exeter College financial statements to the Board for approval on 13 December 2024**
- b) expressed its confidence that the College is a going concern**

HofG

- 7.3 Exeter College Services Ltd Financial Statements, going concern and letter of support

Item 7.3 was dealt with as a confidential item and recorded in the confidential minutes.

- 7.4 A Plus Training (SW) Ltd and Exeter College Apprentices Ltd
The Executive Director of Finance explained that both A Plus Training (SW) Ltd and Exeter College Apprentices Ltd are dormant companies, however it is still a requirement to submit financial statements. The Principal/CEO explained the benefits of retaining the dormant companies

The Committee agreed to recommend the A Plus Training (SW) Ltd and the Exeter College Apprentices Ltd financial statements to the Board for approval on 13 December 2024

HofG

- 7.5 Letters of Representation
The Committee received the letters of representation, which will be recommended to the Board on 13 December 2024 by the Audit and Risk Assurance Committee. The Committee noted that the letters of representation were straightforward and consistent with previous years.

The Committee noted the letters of representation

8. Finance Matters

8.1 Management Accounts September 2024

The Management Accounts for September 2024 were received and the Committee noted that at this early stage there was no cause for concern and the dashboard appeared positive. The extra cost of teaching additional learners had been included in the data although potential in-year funding had not.

The Committee was assured that capital expenditure the previous year had been less than planned due to timing. The College had introduced an additional graphic to convey the expenditure of multiple year capital schemes.

The Committee noted the report

9. **Emerging Risks**

The Committee did not consider there to be any additional risks that had emerged from discussion at the meeting.

10. **Future Meetings**

10.1 Items to take to the Board

- Financial Statements
- Subsidiary Financial Statements
- Letters of support

10.2 Items for the next meeting

The Committee reviewed the cycle of business for the 10 March 2025 meeting and agreed the items to be included on the agenda.

10.3 Dates meetings for 2024/2025

- Monday 10 March 2025
- Monday 16 June 2025

11. **Minutes/reports for information**

11.1 Health and Safety Minutes

11.2 Sustainability and Net Zero Minutes

11.3 Financial Health Letter