

Minutes of the hybrid meeting held on 12 May 2025 at 3pm

Present physically:

Present virtually: A Duffety, EEGT Trustee and WSC Governor – **Chair**
C Higgins, EEGT Trustee and WSC Governor
C Ridgeon, EEGT Trustee (part)
D Wildridge, EEGT Trustee
E D'Souza, EEGT Trustee and WSC Governor
J Drake, WSC Governor
M Chatt, EEGT Trustee and WSC Governor
R Attwell, EEGT Trustee

In attendance: A Brewster, Group Head of Finance
A McGarel, CFO
D Barton, Group Assistant Principal – Adult (part)
L Carroll, Group Head of Project Accounting, Risk and Transformation
L Moody, Group Principal – University and Professional Development
L Parish, Group Assistant Principal – Apprenticeship and HE (part)
N Savvas, CEO
S Gales, Governance Professional
S Minns, Group Head of Admissions and Enrolment (part)

Apologies: K Points, EEGT Trustee
L Bennett, Group Project Manager

Absent:

1. Appointment of Chair and Vice Chair

The Governance Professional informed that the Trust Board and Corporation appointed A Duffety as Chair and J Dake as Vice Chair for 2024/25, at their meetings in March 2025.

2. Declaration of Interests and Apologies for absence

Members recognised the standing declarations. No other conflicts of interest in relation to the items of the agenda were declared.

Apologies for absence were received from K Points and L Bennett.

The Chair welcomed everyone to the new joint Committee.

3. Terms of Reference, Committee Skillset and Agenda Planner

Members received and considered the draft Terms of Reference, Committee Skillset and Agenda Planner provided.

Members discussed whether the Terms of Reference should stipulate membership from each independent Board required to make quorate decisions. The Governance Professional noted this is laid out in the 'delegated authorities' section.

Members discussed the 'delegated authorities' section and agreed to amend the wording of the bullet points to 'as specified within the Financial Regulations'.

Members queried the rationale for responsibility 7 relating to Executive Pay. The CFO and Governance Professional explained that these relate to the requirements of DfE guidance.

Action

Gov. Prof.

Members discussed that for 2025/26 we could look to review the 'responsibilities' to better reflect the 'Committee Purpose' in respect to planning long term financial health and to link financial decision making to achievement of our EEG Strategic Plan. The Chair, CFO and Governance Professional to consider.

Members **approved** the Terms of Reference, Committee Skillset and Agenda Planner, and **agreed to recommend** to the Trust Board and Corporation, subject to the amendment above.

4. Minutes of the meetings held on 11 March 2025

Members reviewed and **agreed** the minutes of the EEGT Finance Committee and WSC Finance Committee meetings held on 11 March 2025 as an accurate record.

The Governance Professional **noted** that further to the authority delegated by the EEGT Finance Committee in November 2024, in May 2025 Martin Chatt (as then Vice Chair of the Finance Committee) and Debbie Wildridge (as Vice Chair of EEG Resources Committee) review and signed the lease with West Suffolk Wheelers to use land at Priory School.

5. Matters arising from the meeting on 11 March 2025

Six of the fourteen matters arising from previous meetings were complete, two were allocated to the Audit and Risk Management Committees, and six were ongoing.

6. Enrolments and Applications (discussion only if risk)

- i. Primary
- ii. Specialist SEN schools
- iii. Sixth Form
- iv. University Studies
- v. Apprenticeship
- vi. Adult inc. Full Cost

Members received and considered the papers provided which summarised 2025/26 application numbers compared to the enrolment targets and the strategies to improve enrolments; and summarised the year-to-date position for adult and apprenticeships compared to the budget target and the strategies to resolve any underperformance.

Members queried why the number of progressing students at WSC is behind target and what actions are being taken to increase student progression. S Minns explained that it is lower due to the early point in the year and some students looking to move to apprenticeships or commence work. S Minns explained how we are working with course teachers to encourage students to confirm their continuation. S Minns noted that typically we see students still enrolling in August and September once they have their results and/or once they have tried academic courses and seek to transfer.

Members queried the forecast total 16-19 enrolment for WSC of new and progressing students. S Minns answered this and confirmed her confidence in achieving the funded position.

Members queried the value of expenditure assumed for the budget given the forecast total 16-19 enrolment for WSC in 2025/26. The explained that our budget assumption is based on the DfE funded position (e.g. it does not include any DfE growth funding) and while it will include additional costs to reflect the additional students, and as part of Operational Planning we are working closely to reduce costs and ensure efficient allocation of resources.

Members discussed the Operational Planning process and queried the scale of variance between requests and resources available was lower than in previous years. The CFO confirmed that, as expected in this early stage of budgeting, there is still a variance between the requests of budget holders and the resources available, however confirmed the variance is less than in previous years as budget holders understand the financial environment and are working closely with the Finance team to support growth efficiently/within means.

Members discussed the 16-19 applications to ASFC, OSFC and WSC sixth form; and commended the usefulness of the analysis of students who have applied to more than one of our colleges.

Members discussed the 16-19 application data and queried what trends are emerging. S Minns explained that we are seeing some changes to our feeder schools and gave some examples. The CEO informed that the Executive team are working to analyse in detail each of our feeder schools to consider our relationship with them and where we may need to strengthen relations, how we can harness our reputation to increase intake and use our alumni to act as spokespeople with their school.

Members queried why there is a plateau of applications/enrolments for ASFC and what actions are being taken to increase student applications. S Minns explained that students seem to be less confident in their grades and their ability to achieve in A-Levels, which is lessening applications. S Minns explained that the Executive are looking at our entry requirements to ensure they are suitable, our curriculum to ensure they are accessible for progressing students and appropriate for students to progress from, and our transport offer to reduce cold spots and cost barriers.

Members queried how the feeder school application data relates to the student intake data, to understand variance to conversion by school. S Minns explained that post-Covid grade inflation affected the current student intake data and agreed to analyse this going forward to understand the impact of school engagement strategies.

Members discussed the HE applications and noted that depending on final student numbers, we may need to review our course offer to ensure ongoing viability.

Members commended the strong performance of apprenticeships and queried why WSC has been able to outperform competitors. L Parish explained that we work very closely with employers and constantly adapt our offer to meet local demand, this focus on quality leads our strategic and sustained growth to ensure ongoing viability.

Members queried the reasons for mismatched income in apprenticeships. L Parish gave examples of how this occurs and explained how we work with employers to improve accuracy, to reduce mismatch.

Members queried the reasons for the increased proportion of adult pay cost to income compared to budget. D Barton explained that there were some errors to the budget arising from missed staffing considerations and income is below target. Members queried if the adult staffing assumptions are correct for the 2025/26 budget. D Barton confirmed that they are.

Members thanked S Minns, L Parish and D Barton for their excellent papers.

S Minns

D Barton, L Parish and S Minns left the meeting at 4.10 pm

7. **Finance Report**

- i. EEGT
- ii. WSC
- iii. Capital projects

Members received and considered the papers provided which summarised the financial position of the Trust and College as at March 2025 compared to the budget, with commentary to explain any variances and the strategies to ensure the achievement of a surplus year-end position. Members also received a capital projects paper which outlined, pursuant to the Financial Regulations of the Trust and College, the approval sought in relation to ongoing capital projects.

Members discussed the EEGT report.

Members discussed reference to staff churn and supply staff costs in the SEND schools' budget and queried if this risks the quality of provision. A Brewster explained that 'staff churn' has been achieved by a delay to appointing to vacancies as well as staff turnover. The CEO noted that our SEND schools are key areas of focus for us in relation to improving quality and summarised the support and investments being implemented. The CEO reflected that the DfE unexpectedly closed the Trust Capacity Fund (TCaF) and Trust Establishment and Growth Fund (TEG) and, given the findings of Ofsted at Stone Lodge Academy, we have had to create capacity and prioritise improvement works – all of which were unbudgeted costs which we are self-funding – to ensure we improve the quality of provision at our SEND schools.

Members discussed the £70k reduction to the effectiveness plan and queried why it has been removed from the year-to-date actual. A Brewster apologised for the error, it should have only been removed from the forecast and agreed to amend.

Members discussed the EBITDA and queried why there is an anticipated increase in SEND funding. A Brewster explained that this is due to the timing difference of payments from the DfE and Local Authority.

Members commended the EEGT risks and opportunities section and asked future reports of both the Trust and College to use this approach.

A Brewster

A Brewster

C Ridgeon left the meeting at 4.30pm

Members discussed the additional costs associated with improving and integrating the SEND schools and queried if these costs will extend into the 2025/26 academic year and how we have mitigated the impact of these additional costs on the quality of primary and post-16 provisions. The CFO confirmed that despite significant unbudgeted costs we forecast a surplus year-end position for 2024/25 though noted we expect some costs will extend into the 2025/26 academic year. The CEO confirmed that we closely monitor expenditure to ensure we balance the budget and needs of all our provisions. The CEO explained that there are multiple unknowns for 2025/26 in terms of our funded position however summarised ways we can maximise funding for our SEND schools and reduce costs.

Members reflected that the year-end position for the SEND schools indicates a strong financial position however significant unbudgeted investment has been required in the SEND schools to support their improvement and integrations, and so we need to clearly explain this and to evaluate the impact of this investment. A Brewster noted that post-merger we are still operating two financial systems for the Trust and from 2025/26 'central costs' will be fairly apportioned to the SEND schools. Members discussed potential ways to better convey these costs. The CFO to consider.

CFO

Members discussed the WSC report.

Members discussed the challenge budget and queried what actions are being taken to achieve additional savings and if there is a risk of a year-end deficit position. The CFO discussed how the finance team are working with budget holders to identify and achieve savings and noted that there has been an increase of services provided by WSC to EEGT (as WSC staff have supported the SEND schools) so by rebalancing the related party transaction would reduce costs to WSC.

Members discussed the challenge budget alongside the growth of 16-19 student numbers at WSC (in the context of DfE lagged funding and uncertainty of DfE growth funding) and queried how we can improve forecasting in such a changing environment. The CEO explained how we are reviewing our assumptions and confirmed that we continue to forecast conservatively (worst-case) to ensure ongoing financial viability and sustainability.

Members discussed the 'opportunities' and queried how confident we are that we will receive the additional high needs funding from the Local Authority. The CFO

explained that the team have done detailed forecasting and are confident we will receive £100k, and there is a possibility we could receive a further £100k.

Members discussed the capital projects report.

Members discussed the proposed development at the Built Environment and queried how, further to discussions at the EEG Resources Committee, this aligns to our property strategy. The CFO explained the rationale and confirmed this aligns to our short to medium term plans.

Decision taken by WSC Governors

Members **noted** the use of DfE Further Education Capital Allowance grant (FECA) funding to cover some unbudgeted capital expenditure works to improve the Built Environment, and **delegated authority** to the Committee Chair to review/approve the tenders for the Built Environment works.

Decisions taken by EEGT Trustees

Members **agreed** (with Resources Committee) to relocate the Chalk Hill provision to new Bury St Edmunds – Horringer Court, and **delegated authority** to the Chairs of the Finance and Resources Committees to review and agree to enter into the lease (or licence to work) for Horringer Court if received prior to next Finance Committee.

Members **agreed** and **recommend to the Trust Board** the unbudgeted investment in Sunrise Academy to create a kitchen, and **delegated authority** to the Committee Chair to review/approve the tenders for the Sunrise Academy works.

8. KPI Report

- i. EEGT
- ii. WSC

Members received and considered the KPIs for the Trust which included 5 green, 3 amber and 2 red KPIs; and College which included 7 green, 5 amber and 3 red KPIs as at March 2025.

Members discussed the pupil to teacher ratio used by EEGT and queried if a similar KPI could be created for WSC. The CFO to consider.

CFO

The Chair noted many of the red risks were discussed above as part of agenda item 7, except cash days in hand (WSC) which is red compared to our target. The Chair noted that the cashflow analysis and forecast remains strong and the cash in hand period remains well above the FE commissioner benchmark, so the risk is low/emerging. Members will discuss the risk in more detail at the next meeting, if it remains red.

9. 2025/26 Budget Assumptions

- i. EEGT
- ii. WSC

Members received and considered the proposed budgetary assumptions for the Trust and College for 2025/26.

Members discussed the uncertainty of DfE funding and of national pay negotiations, and how best to communicate the sensitivity of the 2025/26 budget. The CFO to incorporate the risks/opportunities and wider sensitivity analysis into the budget and 3-year financial forecast, and to convene extraordinary Committee meetings (if /as needed) to discuss material emerging risks.

CFO

Decision taken by EEGT Trustees

Members **approved** the 2025/26 budgetary assumptions for EEGT.

Decision taken by WSC Governors

Members **approved** the 2025/26 budgetary assumptions for WSC.

10. **Financial Health Grade (WSC only)**

Members received, considered and **noted** the College's financial health grade for 2023/24.

Members commended the strong 'good' outcome.

11. **Risk Register Extract**

Members received and considered the risk register extract which included 1 red, 4 amber and 6 yellow risks, 3 new proposed risks (of which 2 are EEGT risks and 1 is a WSC risk) and the 'income diversification and business development' internal audit findings report (which included 3 low level recommendations).

Members discussed the new proposed risk EEGT00X (relating to unbudgeted expenditure in the Trust) and suggested we amend this to 'impact on 2025/26 academic year'.

Members reviewed the risks and **felt assured** that the mitigations were appropriate.

12. **Any other business**

- **Review of the meeting**

Members commended the Chair and the Executive for supporting this inaugural meeting to run effectively. The Chair welcomed additional feedback to support the evolution of this Committee, and asked members to send any feedback to the Governance Professional.

L Carroll

The meeting closed at 6.00pm