EASTERN EDUCATION GROUP TRUST

WEST SUFFOLK COLLEGE

Joint meeting of
EEGT FINANCE COMMITTEE
WSC FINANCE COMMITTEE

Minutes of the hybrid meeting held on 26 June 2025 at 3pm

Present physically:

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

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

Apologies: C Ridgeon, EEGT Trustee
K Points, EEGT Trustee
L Carroll, Group Head of Project Accounting, Risk and Transformation
L Parish, Group Assistant Principal – Apprenticeship and HE
R Attwell, EEGT Trustee

Absent:

Action

1. 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 C Ridgeon, K Points, L Carroll, L Parish and R Attwell.

S Minns joined late so discussion of agenda items 4.i. to 4.iv. was discussed after agenda item 5.i.

2. Minutes of the meetings held on 12 May 2025

Members reviewed and **agreed** the minutes of 12 May 2025 as an accurate record.

The Governance Professional **noted** that pursuant to the delegated authority granted on 12 May 2025, in June 2025 the Committee Chair has approved the tender for the Built Environment works.

The Governance Professional **noted** that in June 2025 the Trust Board Chair signed the funding agreement for the works at Stanton Primary School linked to the development of its SEN unit.

3. Matters arising from the meeting on 12 May 2025

Eight of the fifteen matters arising from previous meetings were complete, three were for next academic year, and three were ongoing.

4. 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 if there were any risks which the Executive would like to raise. L Moody confirmed that Apprenticeships are on track and D Barton informed of a significant improvement in the Adult Skills Fund for Cambridge and Peterborough Combined Authority compared to last month.

Members discussed the Adult and Full Cost paper and queried what underpins the 'additional income from projects and initiatives' referenced in the paper. D Barton informed this includes Multiply, Talent Forge, Thrive, Skills Bootcamps, green skills employability and skills academy projects, pilots for the DfE, NHS projects to support digital skills, and other projects to develop skills in 'cold spots'.

Members queried what a 'sim' van is. D Barton explained that these are simulation vehicles which enable people to experience different roles using virtual technology.

Members discussed the cost vs. income of these additional adult projects and initiatives.

Members discussed the Apprenticeship paper and queried if the historical issues with end-point assessment continue to be an issue. L Moody confirmed that lessons have been learnt and the system for tracking this is much improved.

Members queried if the Executive felt there was still sufficient demand to grow our Apprenticeship provision further. L Moody confirmed we believe there is sufficient demand to continue to grow and explained how the team are looking to diversify into new sectors/industries/locations.

D Barton left the meeting at 3.25 pm

Members discussed the HE paper and commended the significant rise of internal applicants and reflected this evidence the impact of our strategy.

Members queried why there has been a decline of external applicants. L Moody explained this is a trend across the HE sector which is impacting even very established leading university as well as regional universities. The CEO explained how there is growing competition for domestic university applicants as well as a move of demand away from degrees to higher apprenticeships and shorted higher technical qualifications. The CEO noted that our HE growth strategy will respond to these emerging trends. L Moody added that we also anticipate more last-minute internal applicants.

Members discussed the Sixth Form paper and queried why WSC's internal progression was lower compared to last year. S Minns explained that some are considering apprenticeships though expects this is likely just a delay and reflected that internal progression applications at WSC are less predictable than at OSFC or ASFC.

Members queried if the delay to internal progression applications could result in the student being rejected due to capacity. S Minns explained that it could and confirmed this risk has been communicated to those students.

S Minns left the meeting at 4.00pm

5. Finance Report

i. EEGT
ii. WSC
iii. Capital projects
iv. Proposal to implement reserves pooling (EEGT)

Members received and considered the papers provided which summarised the financial position of the Trust and College as at April 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 updated on the Gene Haas projects as well as a proposal paper to implement reserves pooling across the Trust for consideration by the Trustees.

A Brewster summarised the key points of the EEGT report and informed that the 'challenge' budget has been fully achieved within the May 2025 accounts.

Member queried how the 'challenge' budget has been achieved. A Brewster informed that there was a continuation of the core schools budget grant which had not been included in the budget assumptions of the colleges, vacancy revisions within the sixth forms, and pension grants. Members reflected that the challenge was achieved through prudent budgeting.

Members queried if that the year-end outturn could be more positive than the forecast position in the report. A Brewster explained the complexity in forecasting the year-end outturn but agreed there is scope that it could improve further.

Members discussed the national joint council pay awards and queried what the likely award will be and whether this is affordable. A Brewster advised that, despite the unions continuing to ask for 10%, the agreed amount is likely to be between 3% and 4% which is affordable.

Members discussed the costs associated with integrating the SEND schools and queried if this is likely to increase. A Brewster explained that there continues to be significant capital expenditure to improve the SEND school estates and Group staff supporting the SEND schools, however this has now reached a level which is easier to forecast.

The CFO added that the team have also reviewed the related-party transaction (RPT) agreement to ensure that it reflects the current arrangement.

Members discussed the year-to-date spend compared to the forecast and queried whether there is likelihood of underspend of capital budgets. A Brewster explained that the summer works are underway and we are investing in new IT equipment in readiness for the roll-out of Windows 11, so it is unlikely that we will underspend.

S Minns joined the meeting at 3.35 pm

Members reflected that we had anticipated additional DfE funding (TCaF and TEG) to support the integration of the SEND schools however the DfE withdrew these funding pots, so we have had to cover these as in-year unbudgeted costs. Members queried if we could calculate how much the Group has spent to support the integration. The CFO explained that these costs are largely covered by costs assigned to the capital budget and to the RPT.

Members queried if supporting the integration of the SEND schools has created opportunity costs. The CEO explained that due to the focus needed to support the SEND schools, some other projects are further behind than we planned; though reflected that there have been significant steps in relation to cultural cohesion across the Group.

A Brewster summarised the key points of the WSC report.

Members discussed the variance of the non-pay costs and queried if the budget is achievable by year-end. A Brewster explained this is due to the phasing and is achievable.

Members discussed the methodology of the risks and opportunities section and noted the typo in the totalling of the risks section.

Members discussed the RPT agreement between the College and Trust and agreed that it benefits both organisations.

Members discussed the Gene Haas project and L Moody and L Bennett provided a verbal update.

Members queried what level of scrutiny Gene Haas require linked to their investment. L Moody explained that the main scrutiny happened before they awarded the grant and informed that ongoing oversight is relatively light touch, though noted that there are limited uses for how we can utilise the grant funding.

Members queried what scrutiny we conducted of Gene Haas to ensure they operate in accordance with our vision/ethos/charitable objects to not risk our reputation. L Moody reflected that Gene Haas are one of the largest charitable foundations in USA and has established links with other colleges/universities in the UK. Members suggested we consider the ethical values the Group seeks when accepting gifts/grants from overseas and asked CFO to propose a framework for us to use in future. CFO

Members discussed the costs associated with maintenance of the Gene Haas building and the CFO explained that going forward the building's maintenance will be reported to Resources Committee in the usual way.

L Bennett left the meeting at 4.30pm

Members discussed the proposal to implement reserves pooling and A Brewster summarised the rationale of the paper.

Members queried whether any of the schools are likely to object to the proposed change. The CFO explained that the senior leaders for the schools understand and are supportive of the change.

Members queried whether the proposed change would increase the risk of clawback of our reserves. The CFO explained that most of our reserves are ear-marked for expenditure to reinvest in improving the school estates and therefore are unlikely to be at risk of clawback.

Members discussed the ringfenced reserves of Exning and SENDAT and queried how long these funds are likely to be maintained. The CFO explained that the ringfenced amounts are for development of the primary and SEND schools respectively, which are in the planning/implementation phase and noted the ringfenced reserves will be spent within 24 months. Members suggested changing the term from 'gentleman's agreement' to 'designated funds'.

Members queried who can appeal. The CFO explained that J Clark and L Chapman (as senior leaders for the schools) are the only members which can appeal.

Members suggested the CFO record the approach in the annual accounts.

The CFO left the meeting at 4.45pm

Decision taken by EEGT Trustees
Trustees **agree** and **recommend to the Trust Board** that the reserves pooling approach be implemented for the year ended 31 August 2025.

D Wildridge left the meeting at 4.57pm

6. KPI Report

i. EEGT
ii. WSC
iii. Letter from the FE Commissioner

Members received, considered and **noted** the KPIs for the Trust which included 6 green, 2 amber and 2 red KPIs; and College which included 8 green, 4 amber and 3 red KPIs as at March 2025.

7. 2025/26 Budget and 3-year Financial Forecast

i. EEGT
ii. WSC
iii. Proposed 2025/26 Financial KPIs

Members received and considered the proposed budget and proposed KPIs for the Trust and College for 2025/26.

The CFO noted that the Trust's budget and proposed KPIs does not include Stanton Primary School, as it is not currently part of the Trust.

The CFO explained the rationale for each proposed KPI and the new methodology for 'contribution to central costs' for the Trust.

Members reflected that the proposed KPIs relate to funded placements and queried if the budgets are built on the expected costs to ensure we are monitoring budgets on worst-case assumptions. The CFO confirmed that they are.

Members discussed whether separate KPIs for income, expenditure and surplus is confusing and **agreed** to remove the KPIs for income and expenditure. — CFO

Members discussed whether average annual total full-time equivalent (FTE) should be a KPI for each school/college compared to budget. The CFO to consider. — CFO

Members discussed the complexity of analysing KPIs linked to agency staff usage for each school/college.

The CFO explained that as part of the Property Strategy we are exploring ways to better utilise our provision to underpin delivery of our Group strategic plan, to create additional capacity without purchasing/leasing additional premises.

The CFO summarised the key assumptions underpinning the budgets.

Members queried what proportion of the annual increase in staff costs is due to the pay award vs. additional FTE. A Brewster explained the complexity of calculating this especially given pay drift and staff churn. Members asked for an analysis report to come to the next meeting. — CFO

Members discussed the sensitivity of the budget and queried if it would be possible to add a 'risks and opportunities' section to explain the sensitivity. The CFO to add this. — CFO

Members discussed the proposed capital expenditure budget for 2025/26 and what is included in 'other capital spend'.

Members agreed to reconvene on Monday 30 June 2025 to discuss WSC's Budget in more detail and asked the CFO to provide the 3-year Financial Forecasts. — Gov. Prof.

8. Policies

i. Financial Regulations
ii. Bursary Policy

Members queried if the proposed financial regulations adhere to the DfE guides – College financial handbook and Academy Trust Handbook. The CFO confirmed that they do.

Members queried if the bursary policy applies to the schools or just to the colleges. A Brewster explained that it only applies to the colleges.

Members **approved** policies and **agreed to recommend to the Corporation and Trust Board**.

9. 2025/26 Subcontracting Arrangements (WSC only)

Members received and considered the subcontracting business case strategy, subcontracting procurement policy, and subcontracting and supply chain fees policy for 2024/25; along with the proposed subcontracting partners for 2025/26: West Suffolk NHS Trust and North West Anglia Foundation Trust.

Decision taken by WSC Governors

Members **approved** WSC's 2025/26 Subcontracting Arrangements and **agreed to recommend to the Corporation**.

10. Risk Register Extract

Members agreed to reconvene on Monday 30 June 2025 to discuss this item. | Gov. Prof.

The CEO, CFO, L Moody and A Brester left, and the CPO joined at 6.00pm

Confidential item

11. Recommendation from Remuneration Committee

12. Any other business

None.

The meeting closed at 6.14pm