

Business Committee minutes

Meeting	Business Committee	Date	19 June 2025
Location	Broadstairs Executive Boardroom	Time	09:30
Membership	Charles Buchanan (CB), Gail Clarke (Chair), Francesca Lashmar (Staff Governor), Joanna Worby (JW), Lucy McLeod, (LM)		
In Attendance	Matthew Cooper, (MC) Chief Financial Officer Ian Rule (IR), Interim Chief Financial Officer Dan Shelley, (DS) Assistant CEO, Infrastructure and Transformation Officer Kerry Hickmott (KH) Chief People Officer Jack Collison, (JC), Director of Corporate Services and Governance Claire Banks (CSB), Governance Officer		

**Italics denotes absence*

	ITEM	COMMENTS	ACTION
1	Welcome and apologies for absence	<p>The Chair sent apologies for a delayed arrival to the meeting. Governors appointed Charles Buchanan to chair the meeting during the temporary absence of the Chair, and the meeting was duly opened by Charles Buchanan.</p> <p>Charles Buchanan welcomed members to the meeting and Matthew Cooper in his new role as Chief Financial Officer.</p> <p>Francesca Lashmar, Joanna Worby, Dan Shelley and Kerry Hickmott joined the meeting online via Teams.</p>	
2	Declarations of Interest	There were no additional declarations to the meeting than those declared as standing	
3	Minutes of the meeting held 13 March 2025 including any	The minutes of the Business Committee meeting held on the 13 March 2025 were reviewed and approved as an accurate record and duly signed by the Chair.	

	confidential minutes	Confidential Minutes were reviewed and approved as an accurate record and duly signed by the Chair.	
4	Matters arising not covered by this agenda	<p><u>Business Committee Terms of Reference</u></p> <p>JC reported a minor update to paragraph 2.1 of the Committee Terms of Reference: the removal of the Deputy CEO as a member of the Committee. This was a temporary addition made during a period of role transition, and the update reflects a return to the standard membership structure.</p> <p>APPROVED: Update to Business Committee Terms of Reference</p>	
5	<p>Budget Strategy:</p> <p>a. Revenue Budget</p> <p>b. Capital Budget</p>	<p>Full details of this item are considered confidential and will form Confidential Minutes Part A.</p> <p>The Interim Chief Financial Officer (IR) presented the Budget Strategy and after discussion the following recommendations were made:</p> <p>RECOMMEND: 2025/26 Budget Strategy to the Full Governing Body for approval RECOMMEND: Stage Coach Bus Passes for Full Governing Body approval APPROVED: Microsoft Licence Renewal APPROVED: Insurance Policy Renewal NOTED: The 2025/26 Budget Strategy</p> <p>GC joined the meeting at 9:43 and proceeded to chair the meeting and thanked CB for chairing during her temporary absence.</p>	
6	Capital Programme update and Property Strategy Update 2025-29:	<p>Full details of this item are considered confidential and will form Confidential Minutes Part A</p> <p>The Interim Chief Financial Officer (IR) presented the Capital Budget and after discussion the following recommendations were made:</p> <p>RECOMMEND: Property Strategy 2025-29 to Full Governing Body for approval</p>	

7	College Financial Handbook 2025	IR reported that the College Financial Handbook for 2025 will include only minor accounting updates. Research indicates that there is no planned release of a revised edition in the immediate future.	
8	<p>April 2025 Managements Accounts</p> <p>Verbal update on May 2025 Accounts</p>	<p>The Interim Chief Financial Officer (IR) presented the April 2025 management accounts, and gave a verbal update of the May 2025 Management Accounts and the following was noted:</p> <p><u>April Update</u></p> <ul style="list-style-type: none"> • The Q3 forecast was successfully updated in April. The team did well to incorporate the necessary changes. The financial position of the Group remains consistent overall. • The most notable variance is in exam fees. The original budget simply rolled over the 2023/24 figures without adjusting for student growth or inflation. This has now been corrected for both 2024/25 and 2025/26. • Minor adjustments have been made to pay costs. • High Needs Funding income has been lower than expected, with a shortfall in April and May. Issues with postcode boundaries (Medway vs. KCC) are contributing to funding challenges. • EBITDA is circa 9.5% for April and 9% for May • The Cash Position remains strong with no concerns at this stage. <p>Governors queried the possibility of block funding for Medway as a potential solution to ongoing challenges with High Needs Funding income.</p> <p>LM confirmed preliminary conversations have taken place and this will be formally proposed in due course.</p> <p><u>May Update</u></p> <ul style="list-style-type: none"> • The May financial position remains broadly consistent with April, with the exception of a notable change in Adult Programme funding, which has reduced by c£300k. • Funding for the Adult Programme has increased by £500K compared to the previous year, reflecting a growth in learner numbers. • The current shortfall lies in learning support, not in programme delivery. This issue is being actively addressed in the budget, with efforts underway to enhance support 	

		<p>provision and ensure learners receive the assistance they need.</p> <p>Governors queried whether welfare reform might lead to more referrals.</p> <p>DS confirmed significant work is being done with KFE to support individuals with long-term health conditions who lack educational support. There are over 60,000 adults in Kent who have not been reviewed by the Jobcentre or the Department for Work and Pensions (DWP). A new programme is being developed and piloted next year, led by EKC Training. The Jobcentre now acknowledges the need for longer programmes (up to 12 weeks) and for one-to-one support.</p> <p>Governors queried how many of the 60,000 person cohort would likely enter the EKC Group compared to Mid and North Kent Colleges.</p> <p>DS commented that East Kent has a larger skills fund, which may attract more learners. Some encroachment from Mid and North Kent is possible but not expected to significantly impact East Kent.</p> <ul style="list-style-type: none"> • There is growing interest in adult education for next year, and funding/delivery alignment is improving. • Bursary and free college meal funds are currently being processed through the Income and Expenditure account. These funds should be recorded on the balance sheet, not through the Income and Expenditure account and this will ensure accurate representation of the Groups financial position. The EBITDA figure remains unaffected as the budget assumes these funds go in and out. However, removing £2M from income increases the EBITDA percentage, as EBITDA becomes a larger proportion of the reduced income base. The budget and forecast will continue to be presented in the current format for consistency. Adjustments will be made before the final budget is presented to FGB, with a clear explanation of the changes. The correction will be implemented for 2024/25 and 2025/26. Historical data for 2023/24 will remain unchanged. <p>Governors noted the monthly Finance Sub-committee meetings took place as scheduled. The</p>	
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		<p>Committee reviews the accounts, forecasts, and budget assumptions. This thorough review reinforces confidence in the financial reporting and ensures alignment ahead of the final budget presentation to the Full Governing Body in July.</p> <p>NOTED: April / May 2025 Management Accounts</p>	
9	Financial Regulations	<p>The Interim Chief Financial Officer (IR) summarised the updates made to the financial regulations and the following was noted:</p> <p>The proposed updates are minor in nature and primarily administrative. They include:</p> <ul style="list-style-type: none"> • Updates to job titles and department names • References to the Group being cashless wherever possible • VAT return dates • Clarification of asset categories and depreciation periods to support the implementation of the new Sage system • These changes are intended to improve clarity and operational alignment, particularly in preparation for the new financial system rollout. <p>RECOMMEND: Financial Regulations to be approved at the July Full Governing Body. NOTED: Update to Financial Regulations</p>	
10	Canterbury City Council Group Business rates invoice – e-Approval	<p>The Interim Chief Financial Officer (IR) reported that an out-of-cycle invoice for Canterbury College Business Rates (over £150,000) was not identified in advance due to timing constraints. As the invoice exceeded the Committee’s approval threshold, e-Approval was obtained from the Chair of the Full Governing Body.</p> <p>To strengthen financial oversight and prevent similar issues in the future, the Finance Department has implemented the following measures:</p> <ul style="list-style-type: none"> • Developed a Power BI report linked to the budget file to identify likely areas of high-value approvals • Review high-value invoices from the past 12 months • Included a list of high-value approvals in the Revenue Budget paper for formal approval 	

		<p>NOTED: e-Approval by FGB Chair of Canterbury College Rates Invoice</p> <p>DS left the meeting at 10:51</p>	
11	Insurance Premium Approval and Valuation Update	<p>The Interim Chief financial Officer (IR) reported the Group insurance renewal process for 2025/26 is currently in progress. There are no significant changes in cover, but insurers have required a revaluation of the estate, as this has not been conducted for several years. A full revaluation of all sites has been instructed at a cost of £19,500 + VAT.</p> <p>Governors queried whether the revaluation is required annually.</p> <p>IR confirmed that revaluations are typically required every 5 years due to the high cost and complexity involved. The renewal premium may increase by up to 20% compared to last year. This potential increase has been factored into the approval sum requested in the budget paper.</p> <p>NOTED: Insurance premium approval and valuation update</p>	
12	Report on HR Matters	<p>Full details of this item were considered confidential and will form Confidential Minutes Part A</p> <p>The Chief People Officer (KH) provided a verbal update on HR Matters:</p> <ul style="list-style-type: none"> • There are currently 21 live vacancies, with this number expected to increase over the coming months as recruitment begins for September starts. • The total number of employees has risen slightly to 1,512, which is approximately 20 more than at the start of the year. • Encouraging progress has been made in filling engineering posts, which have historically been difficult to recruit for. Notably, the Engineering Lecturer post at Ashford attracted a strong field, with five candidates shortlisted. Continued targeted campaigns in hard-to-reach areas appear to be yielding positive results, with a broader and more diverse applicant pool. 	
13	Gender Pay Gap Report	<p>This item was considered confidential and will form Confidential Minutes Part A</p>	

14	Policy Update	The Chief People Officer (KH) presented the Staff Grievance Procedure and the following was noted:	
	14.1 Staff Grievance Procedure	The Chief People Officer (KH) noted there are minor amendments to the Staff Grievance Procedure. These amendments cover minor changes to wording to provide clarity of the process and consistency across policies. There are no major amendments.	
		Governors queried if any steps have been taken to ensure this document is legally compliant.	
		KH confirmed that the Staff Grievance Procedure has already undergone legal review and no further action is required at this stage.	
	14.2 Fees Policy	The Chief Financial Officer noted there are minor amendments to wording and updates to key roles and FE liability periods. There are no major amendments to the Fees Policy.	
		APPROVED: Staff Grievance Procedure RECOMMEND: Fees Policy to be approved at the July Full Governing Body	
15	Any Other Business	No other business	
16	Matters Considered Confidential	ITEMS 5(Part), 6 (Part), 12 (Part), and 13 are noted as confidential	
17	Date and time of next meeting	Thursday 20 November 2025 at 09:30, Broadstairs College	

There being no further business the meeting closed at 11.10

Signed: Gail Clarke

Print: GAIL CLARKE

Date: 20/11/25