

MINUTES

**Barnet and Southgate College Corporation
Finance Committee Meeting
held on Thursday 16th April 2026
at 18:00
via Microsoft Teams**

Present: Tara Jayaratne, Chair
Phil Harding
Dominic Abbott
Adam Goldstein

In attendance: Sarah Surrey, CFO
Maxine Bagshaw, Director of Governance
Tracey McIntosh, Deputy Principal

Quorum 3
The meeting was quorate

Item	Description	Action
1	Preliminary items 1) Apologies for absence Apologies for absence were received from Neil Coker, CEO and Principal. 2) Declarations of interest Chair reminded everyone present to declare any interests that they may have on matters to be discussed. No specific declarations were made, and standing declarations were noted.	
2	Minutes of previous meetings 1) Minutes of the meeting held on 22nd January 2026 The minutes were reviewed, and it was confirmed that they were an accurate record of discussions. AGREED: to approve the minutes of the meeting held on 22nd January 2026 as presented. 2) Matters arising and actions tracker Members noted that the majority of actions arising from the previous meeting had been completed. Two actions had been deferred and rescheduled for consideration at the June 2026 meeting. No further matters were raised.	

3	Finance Committee Risk Register The Chief Financial Officer provided a verbal update on the Finance Committee Risk Register. It was noted that financial risks identified earlier in the year remained under active review. Some short-term risks were assessed as reducing as the year progressed; however, members emphasised that several risks were structural and longer-term in nature, including inflationary pressures and funding volatility. Members were assured that risks were being monitored closely through management accounts, scenario modelling and executive oversight but reiterated that they would find it useful to have all risks and mitigating actions summarised in a short table · AGREED: To note the update provided.	
4	Budget Monitoring 2025/26 (Including Cashflow) i.Monthly Management Accounts – Period 7 The Chief Financial Officer presented the Period 7 Management Accounts and confirmed that the College remained forecast to achieve a small in-year surplus of approximately £20k, broadly consistent with earlier forecasts. Key points highlighted included: • Income performance was largely stable, with continuing focus on maximising high needs income, where some payments remained outstanding but were expected to be largely recovered. • Expenditure was tracking broadly in line with budget. Pay costs were underspent by approximately £800k; however, this underspend was being held pending greater clarity on income delivery and non-pay pressures. • EBITDA remained just below 6%, with cash days strong against sector benchmarks. Members emphasised, however, the importance of understanding restricted versus unrestricted cash. Members welcomed the additional cashflow analysis included in the papers, which clarified that while headline cash balances appeared healthy, unrestricted cash was significantly lower and required careful stewardship. ii. Mid-year review and year-end reforecast The Committee discussed the implications of the mid-year position for future financial planning. While the current year position was judged secure, members stressed that limited	

	headroom existed looking forward, reinforcing the need for disciplined cost control and prudent assumptions. iii. High Needs income In response to Governor questions, the Chief Financial Officer explained delays and residual risk associated with high needs income. It was noted that initial budget assumptions included uplifts which had not been agreed in advance with local authorities. Following extensive engagement and evidencing, local authorities had now agreed to fund at prior-year rates, leaving approximately £150k at risk. Members highlighted the importance of advance agreement with commissioners and robust evidencing to mitigate future funding risk. iv. Bank covenants and cash management The Committee noted that bank covenants had been waived subject to maintaining a minimum £4m cash balance with the lender. The Chief Financial Officer confirmed that this position was being formalised in writing. Members discussed the constraints this placed on the use of unrestricted cash and noted that only approximately £1–2m was discretionary once covenants and working capital requirements were accounted for. v. Risks and sensitivities Members reviewed the sensitivity analysis and noted that risks for the remainder of the year were considered reduced, given: • Stable pay costs; • Effective non-pay control; • Largely fixed income for the remainder of the year. It was confirmed that a delay in the disposal of the Tudor Hall asset would not result in any covenant breach. vi. Adult Education Budget (AEB) update The Deputy Principal provided an update on AEB performance, noting: • In-year delivery remained strong, with no clawback anticipated; • All subcontractors were currently meeting performance and quality expectations; • No new subcontractors were proposed for 2026–27; • Subcontracting declarations would be submitted in line with statutory deadlines. The Committee also received an update on recent GLA guidance, including approval for over-delivery up to 102% and confirmation of an additional £638k allocation for construction, subject to delivery.	
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	During discussions committee agreed that the following would be useful in future reports: • The balance sheet to clearly show restricted and unrestricted cash amounts. • An analysis of the staff utilisation position. • Loan balances to be included, and • Summer capital works request to come to the next meeting. AGREED: • To note the Period 7 Management Accounts, and • To note the AEB update.	* * * *
5	Departmental Contribution Reports The Chief Financial Officer introduced the departmental contribution report, noting that the report remained a work in progress and currently contained known anomalies, particularly in relation to staff allocation and central cost distribution. Members welcomed the direction of travel and emphasised the importance of refining this analysis to support more robust challenge and decision-making, particularly when triangulated with quality and workforce data. AGREED: To note the report, recognising that further refinement was underway.	
6	Financial Planning 2026–27 The Committee considered early proposals for the 2026–27 budget and three-year financial forecast. Key discussion points included: • The College was planning for broadly flat income over the medium term, with growth in some areas offset by reductions in others. • The emerging 2026–27 position assumed a break-even outturn, generating EBITDA of approximately £3m, which was considered prudent and covenant-compliant. • Significant volatility remained across funding streams, including apprenticeships, adult skills funding and grant-based income, limiting certainty. • Pay assumptions currently reflected a 2% uplift; members acknowledged this was likely to be challenging in the current industrial relations context and would require further review as pay modelling was refined. Members strongly emphasised the importance of avoiding a deteriorating financial trajectory across the planning period and challenged officers to test whether assumptions were overly cautious.	

	The cashflow analysis was commended for clearly illustrating constraints on discretionary cash and reinforcing the need for disciplined investment decisions. AGREED: to note the content of the update provided and receive a further advanced iteration for discussion at the next meeting.	
7	Fees Policy 2026–27 The Chief Financial Officer presented the Fees Policy for 2026–27. She advised that only minor changes had been made and confirmed that the Policy aligned with statutory requirements and institutional practice. AGREED: To recommend that the Board approves the Fees Policy 2026–27.	
8	AOB None for this meeting.	
9	Date and time of forthcoming meetings Committee noted: • Thursday 4 June 2026, and • Thursday 2 July 2026 Meeting closed at 7.15pm.	