

## MINUTES

**Barnet and Southgate College Corporation  
Finance Committee Meeting  
held on Thursday 22nd January 2026  
at 18:00  
via Microsoft Teams**

**Present:** Tara Jayaratne, Chair  
Phil Harding  
Dominic Abbott  
Neil Coker, CEO & Principal

**In attendance:** Sarah Surrey, CFO  
Maxine Bagshaw, Director of Governance  
Debbie Greenidge, Interim Finance Controller

**Quorum 3**  
***The meeting was quorate***

| Item     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Action |
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| <b>1</b> | <p><b>Preliminary items</b></p> <p><b>1) Apologies for absence</b></p> <p>Apologies for absence were received from Adam Goldstein and Tracey McIntosh.</p> <p><b>2) Declarations of interest</b></p> <p>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.</p> <p><b>3) Welcome and introductions</b></p> <p>Debbie Greenidge was welcomed to her first committee meeting and round table introductions were made.</p> |        |
| <b>2</b> | <p><b>Minutes of previous meetings</b></p> <p>1) Minutes of the meeting held on 9th October 2025</p> <p>The minutes were reviewed, and it was confirmed that they were an accurate record of discussions.</p> <p>AGREED: to approve the minutes of the meeting held on 9th October 2025 as presented.</p> <p>2) Matters arising and actions tracker</p>                                                                                                                                                                                               |        |

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|          | Committee were happy to note the content of the update provided.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
| <b>3</b> | <p><b>Budget Monitoring 2025/26 (Including Cashflow)</b></p> <p><b><u>1, Monthly Management Accounts – Period 4</u></b></p> <p>The CFO presented the Period 4 management accounts, highlighting the shift to a more transparent accounting approach whereby in-year accruals are not routinely applied. This provides a truer picture of actual expenditure and income profiles.</p> <p>Key discussion points included:</p> <p><b>Income Position</b></p> <ul style="list-style-type: none"> <li>• <b>High Needs Funding:</b> The CFO reported delays in local authority confirmations, with an estimated <b>£200k at risk</b> pending reconciliation. Work with boroughs is ongoing to align assumptions and validate evidence. Most authorities have agreed to maintain payments in line with prior year, with the amount over this still being negotiated. She advised that this income line needs better profiling</li> <li>• <b>Overseas Income:</b> Expected to be <b>£95k lower</b> than budget due to reduced international learners.</li> <li>• <b>HE Income:</b> Expected to be received in full; profiling issues identified but not considered a risk.</li> <li>• <b>Bank Interest:</b> Improved treasury management expected to yield an additional <b>£100k</b> above budget.</li> <li>• <b>Learner loans:</b> an increased position.</li> </ul> <p>Committee members queried the variance presentation, and the CFO confirmed that although the income line showed a larger variance, the <i>true risk</i> was approximately £230k, with £200k of this relating specifically to High Needs. She advised that there is further profiling work to be done as some income/costs should not be shown on an equal one twelfth basis.</p> <p><b>Pay Expenditure</b></p> <ul style="list-style-type: none"> <li>• The CFO advised that Period 4 indicated an apparent <b>underspend of approximately £800k</b>, though this is influenced by: <ul style="list-style-type: none"> <li>○ Vacancies and delays in recruitment.</li> <li>○ Outstanding agency invoices yet to be received.</li> <li>○ Historical double-counting in profile assumptions (e.g., assumed start dates not aligned with actual appointments).</li> </ul> </li> <li>• CFO emphasised the need for high-confidence verification before finalising the reforecast.</li> </ul> |  |

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|  | <ul style="list-style-type: none"> <li>• Extensive meetings are being held with budget holders to verify staffing establishments and understand vacancies and agency usage.</li> </ul> <p>Committee members questioned whether full-year pay costs were expected to realign with budget; CFO confirmed they are likely to do so once all corrections and reconciliations are complete.</p> <p><b>Non-Pay Expenditure</b></p> <ul style="list-style-type: none"> <li>• Non-pay budgets have been historically uplifted by flat percentages; detailed review shows potential <b>underspend capacity</b> to offset risks elsewhere.</li> <li>• <b>Cleaning contract costs</b> have increased by <b>£150k</b> due to implementation of London Living Wage. Mitigations are being identified.</li> <li>• Some additional costs relating to systems review, MIS and HR however all sit within current budget.</li> </ul> <p><b>Bad Debt</b></p> <ul style="list-style-type: none"> <li>• Current bad debt provision sits at approximately <b>£500k</b>, noted as too high by auditors.</li> <li>• CFO and team are reviewing aged debts, including legacy items subject to limited prior follow-up, to determine items suitable for write-off.</li> <li>• A more robust internal chasing procedure is being implemented, including increased oversight before referring to external collection.</li> </ul> <p>Committee members requested a future discussion on the detailed debtor profile and collection pathways. CFO agreed and noted this will coincide with recommendations on potential phased write-offs.</p> <p><b>Bank Covenants and Cash Management</b></p> <ul style="list-style-type: none"> <li>• The college must maintain <b>£4m</b> cash to meet loan covenants.</li> <li>• Improved investment opportunities are being explored.</li> <li>• Restricted vs unrestricted cash mapping is being undertaken and will be presented at the April meeting.</li> </ul> <p><b>KPIs</b></p> <ul style="list-style-type: none"> <li>• RAG rated table provided.</li> <li>• Overall KPIs remain within acceptable thresholds/FEC benchmarks.</li> <li>• Staff costs as a percentage of income remain within benchmarks but will need to continue to be monitored.</li> </ul> | <p>*</p> <p>*</p> |
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|  | <ul style="list-style-type: none"> <li>Cash days remain strong; however, a more detailed unrestricted cash analysis will be brought to a future meeting.</li> </ul> <p><b>Capital Programme and Cashflow Integration</b></p> <ul style="list-style-type: none"> <li>A new capital tracker will be integrated into financial reporting, with the first table provided in the next set of accounts (both restricted and unrestricted).</li> <li>CFO to liaise with Director of Governance to review the Property Strategy Steering Group tracker to support cashflow alignment.</li> </ul> <p>By the next meeting the team will have a better idea if there are likely to be any funds which can be committed elsewhere. A more certain year end view will be provided.</p> <p><b>Actions</b></p> <ul style="list-style-type: none"> <li><b>CFO</b> to provide sensitivity analysis on risks and opportunities (income and expenditure) – to be circulated after the meeting.</li> <li><b>CFO</b> to produce revised cashflow incorporating restricted/unrestricted breakdown – for April 2026 meeting.</li> <li><b>CFO</b> to review PSSG capital tracker and introduce a table summarising capital in the next set of monthly management accounts.</li> <li><b>CFO</b> to prepare detailed debtors report, including collection processes and potential write-offs.</li> <li><b>CFO</b> to provide year end reforecast at the April 2026 meeting.</li> </ul> <p><b><u>2, Day 42 Student Numbers – Lessons Learned Analysis</u></b></p> <p>Staff provided a detailed overview of enrolment patterns:</p> <ul style="list-style-type: none"> <li>Enrolment stabilised at 106% of allocation, slightly below the prior year but against a higher target.</li> <li>Significant growth seen in construction-related programmes due to increased demand and expansion at the Southgate campus.</li> <li>T-Level recruitment remains below plan due to wider sector instability and uncertainties around Level 3 reforms.</li> <li>Key drivers for non-progression among internal learners included:             <ul style="list-style-type: none"> <li>Non-achievement of required grades.</li> <li>Transition into apprenticeships or employment.</li> <li>Transfer to other FE or sixth-form providers.</li> </ul> </li> </ul> | <p>*</p> <p></p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p></p> |
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|          | <p>Committee noted that the number of 'no shows' had increased alongside 'early leavers' and they therefore reinforced the strategic need to strengthen conversion and 42-day retention, recognising each percentage improvement has significant financial impact. Staff agreed that better understanding the non-starters/no shows is important but explained that this information is very hard to collect as individuals do not engage.</p> <p>CEO reminded that demographic growth is plateauing and will decline. College operates within a competitive local environment i.e. school 6<sup>th</sup> forms. He advised that, at the March 2026 governor development day, the intention to spend some time on financial scenario planning.</p> <p><b><u>3. AEB Report</u></b></p> <p>Report prepared by the Deputy Principal was presented. No significant variances or concerns were raised.</p> <p><b><u>4. Pay 2025/26 – Verbal Update</u></b></p> <p>The CEO updated the Committee regarding industrial relations:</p> <ul style="list-style-type: none"> <li>• UCU strike mandate was achieved by a narrow margin; however, strike action is currently suspended pending further negotiations.</li> <li>• CEO made clear to unions that no additional pay award is currently affordable.</li> <li>• Non-pay alternatives and improvements in working conditions are being discussed.</li> <li>• CEO committed to reviewing affordability again in April, once end-year forecasts are more certain.</li> <li>• Any potential award would be non-consolidated due to long-term sustainability concerns.</li> </ul> <p>AGREED: to note the content of the updates provided.</p> |  |
| <b>4</b> | <p><b>5 Year Financial Objectives/Aims</b></p> <p>The CFO and CEO jointly introduced initial thinking around developing a structured five-year financial and operational outlook aligned to the College's 2030 Vision.</p> <p>Key elements discussed:</p> <ul style="list-style-type: none"> <li>• Integration of curriculum, financial planning, and demographic analysis into a single strategic delivery model rather than a standalone finance document.</li> <li>• Need for scenario modelling incorporating: <ul style="list-style-type: none"> <li>◦ demographic decline in 16–19 cohort over the medium term,</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |

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|   | <ul style="list-style-type: none"> <li>○ potential growth in apprenticeships and higher-level provision,</li> <li>○ pay inflation impacts on FEC benchmarks and sustainability,</li> <li>○ capital and estate commitments.</li> <li>• CFO highlighted that stabilising internal processes (budgeting, forecasting, reconciliations) must underpin work on longer-term modelling.</li> </ul> <p>The Committee welcomed the approach and offered support outside formal meetings if useful.</p> <p>Committee challenged that there needs to be better integration between HR and finance systems so that there is easier access to data e.g. information on agency staffing, sessional etc.</p> <p>Committee all agreed that it important that the board gets a sense of what is affordable in the future and that governors are keen to influence and contribute to future thinking. Suggestion was to create a '5-year delivery plan' which sits underneath the 2030 strategy. All agreed that there needs to be clarity on what is required to ensure organisational sustainability.</p> <p><b>Action</b></p> <ul style="list-style-type: none"> <li>• <b>CFO &amp; CEO</b> to present initial scenario modelling at the upcoming Development/Strategy Day.</li> </ul> <p>AGREED: to note the content of the update provided.</p> <p>Committee asked for an update on the newly established finance team. CFO advised:</p> <ul style="list-style-type: none"> <li>• The team is getting stronger</li> <li>• Good processes and procedures now in place.</li> <li>• Reconciliations are taking place.</li> <li>• Good controls in place.</li> <li>• Still some payroll challenges with two interims still engaged. College needs to permanently fill these posts.</li> <li>• Some work to do around historic pension position.</li> </ul> | * |
| 5 | <p><b>2026/27 Curriculum and Business Planning Approach</b></p> <p>Report from the Deputy Principal was presented. This outlines the framework for 2026/27 business planning, noting:</p> <ul style="list-style-type: none"> <li>• Strengthened alignment between curriculum planning and financial modelling.</li> <li>• Earlier planning timelines to support timely forecasting and budget setting.</li> <li>• Focus on sustainability of programmes and responsiveness to demand (particularly construction and higher-level technical skills).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |   |

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|          | <p>AGREED: to note the content of the update provided.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |   |
| <b>6</b> | <p><b>2025/26 Procurement Update</b></p> <p>CFO provided a summary of current procurement activity:</p> <ul style="list-style-type: none"> <li>• MIS system procurement underway, with submissions due imminently.</li> <li>• Other live procurements were listed for information.</li> <li>• Internal audit service re-tender planned.</li> </ul> <p>AGREED to note the content of the update provided.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                          |   |
| <b>7</b> | <p><b>Financial Regulations Review</b></p> <p>CFO presented the updated Financial Regulations, incorporating:</p> <ul style="list-style-type: none"> <li>• Updated ESFA requirements (2025 handbook).</li> <li>• Minor amendments to approval levels.</li> </ul> <p>She explained that a fuller review of the scheme of delegation is underway and will be presented to the next meeting (CFO – April 2026).</p> <p>AGREED: to<br/>A, note the content of the update provided, and<br/>B, recommend that the board approve the amendments as presented.<br/>C, receive a revised Scheme of Delegation (including contract signing levels) at the April 2026 Committee meeting.</p>                                                                                                                                                                                    | * |
| <b>8</b> | <p><b>AOB</b></p> <p><b>Finance Committee Risk Register</b></p> <p>The CFO will circulate a draft risk register for Committee review ahead of inclusion in future agendas.</p> <p>Committee requested a more detailed report on debtors for the next meeting if the team have capacity to prepare and analyse so that governors have a better understanding of the component parts, college approach, use of debt agencies etc. CFO advised that there is more work to be done internally on student debt, with the college reflecting on the approach to be taken when they just don't have the ability to pay. College will also look at Free School Meals and bursaries.</p> <p>Committee asked what the college write off limit is before DfE permission is required. CFO advised that this is £250k. College currently has circa £500k.</p> <p><b>Action</b></p> | * |

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|          | <ul style="list-style-type: none"> <li>• <b>CFO</b> to prepare Finance Committee risk register proposal.</li> <li>• More detailed debt report to the next meeting.</li> </ul>                                                                                                                                                                                                   | *<br>* |
| <b>9</b> | <p><b>Date and time of forthcoming meetings</b></p> <p>Committee noted:</p> <ul style="list-style-type: none"> <li>• Thursday 16 April 2026 – To include first draft of 2026/27 Budget and Digital Vision.</li> <li>• Thursday 4 June 2026 – Single-item agenda: Budget Update.</li> <li>• Thursday 2 July 2026 – Standard meeting.</li> </ul> <p>Meeting closed at 7.15pm.</p> |        |