ST BRENDAN'S CATHOLIC SIXTH FORM COLLEGE

Governors' Finance Committee

MINUTES OF MEETING

Wednesday 22 April 2026

Office Team Virtual Meeting (16:00–17:20 hrs)

GOVERNORS/MEMBERS PRESENT: Iain Turri [Chair], Svetlana Bajic-Raymond, Marian Curran [Principal], [3]

APOLOGY: Gareth Beynon, James Creamer, Doug Jennings [Chair of Governors] [3]

ATTENDING: Shane Blackshaw [Executive Finance Director], Leanne Sowersby [Governance Professional]

Absent Without Apology: Kevin Hunt [1]

CIRCULATION: All Governors, College website

QUORUM REQUIRED: 3/6 (Voting Committee members)

Circulation: All Governors, Clerk to Governors, Principalship, & [College Website after signature].

Committee Briefing – none this meeting.

ITEM	ISSUES RAISED IN DISCUSSION	ACTION
1. Welcome	***1.1 Welcome:*** JC welcomed everyone and opened the meeting with a prayer. Apologies were accepted.	
2. Declarations of Interest	***2.1 Declarations of Interest:*** Governors confirmed there had been no change.	
3. Minutes Previous Meeting	***3.1 Minutes – 11 March 2026:*** The Minutes were agreed as a true and accurate record	
4. Actions Review	***4.1 Actions Review:*** See Actions Report for updates – all actions complete. ***4.2 Matters Arising:*** None	
5. College Financial Matters	***5.1 Management Accounts (March 2026):*** These were shared for information. EBIDTA of just over £1m, around 7.6% of total income compared to 7% in budget. Cash balance is forecast at about £1.4m for July, which would be 41 days. This will increase our current ratio from 1.39 to 1.95 which is another key indicator. SBk talked through the main variances. There is a meeting with First Bus tomorrow to discuss any changes to the transport contract and subsidy. Noted that the projected shortfall in the lettings income has reduced. Based on the current forecast, financial health will be outstanding. The loan covenant will be met comfortably. Security gates were installed over the Easter holidays and have largely been a success. There will be a need to look at the use of security personnel now they are in place. **Q – To query the overspend on pay?** There is an underspend on employee pay that is offset in part by an overspend on the agency staff budget. The agency budget covers the security personnel, security enrichment staff and a general pot for covering vacancies and long-term absence and is predicted to be overspent by around £60k, which is more than offset by the underspend on staffing, which comes from vacancy savings and the reduced employer pension contribution rate from 1 April. ***5.2 Budget Planning / Draft Budget 2026-27:*** SBk talked through the key points. This version of the report has not been to the CLT. The principles remain the same as previously discussed. There is still the key aim to hit the key KPIs. Noted that CLT have also discussed the possibility of reducing staffing costs to get closer to the DfE benchmark of 70%, as well as reducing admin costs (comprised of staffing and non-staffing) to be nearer to the DfE benchmark for that of 15%. This would allow resources to be invested in revenue budgets, curriculum frontline spend or CapEx and leasing. There has not been a full discussion at CLT about how this could be achieved. Discussion around this and the appetite of governors to look at working towards these DfE benchmarks.	

	DJ has fed back that he is comfortable that the college's financial situation is improving and healthy, as well as being aware of the pressure which staff are under and has no desire to increase this pressure, especially with potential threat of industrial action. DJ, therefore, does not see a proportional benefit to making savings on staffing or admin costs. There is a need to reflect on the impact of reducing costs. SBk talked through the key assumptions in the budget. Noted that funding rates from government have increased by 0.55%. The budget accounts for a pay award of 3%. There is a risk of increasing food prices, if fuel prices increase. These may need to be passed on through catering pricing. There is the possibility that this would put pressure on the bursary budget for free school meals. SBk talked through the proposed KPIs. The employer contribution rate for the Local Government Pension Service has reduced from 18.2% to 13.35% and we no longer have to pay a deficit recovery fee as the fund is in surplus. This has created a saving of around £40k in pension costs in the current year, and around £180k over a full year based on the projected employee cohort for next year. **Q – When is the next review for the Teachers' pension scheme? SBk will investigate.** **Q – Will the pay rise be funded by government?** No, this is included in the budget at 3%, with the shortfall being bridged from our budget and SBk talked through the mitigating factors that make this possible. **Q – Are all colleges expected to honour the negotiated pay agreement?** MC noted that there was a government promise to narrow the gap in funding between colleges and schools and this is being addressed. If the collective bargaining agrees 3%, most colleges will honour this, and most have budgeted for 3%. If colleges are unable to honour this, it is likely they will face union action. The government have said that they expect schools and colleges to fund pay increases from economies within budgets. We can try to keep growing, but there is a predicted drop in the college-age population in a few years' time. There was a further discussion around the possibility of reducing staffing and admin costs. SBk advised this could be potentially £90k worth of saving, but there is not a list of proposals at this stage. The list of bids from budget holders was just less then £50k. The key indicators are currently showing well within the range for good, with some approaching, or into, outstanding. Cash is predicted to be around the benchmark of 40 days. The report includes some modelling which shows how the KPIs would be affected by the proposed savings options. If we did not make any of the staffing or admin savings, and did not invest in any budget holder bids, we would still come out as outstanding. If we were to invest in the budget holder bids and not make the savings, we would slip into good and the cash days would reduce to 38. The shifts in the KPIs are marginal. SBk talked through the proposed CapEx investment which is already factored into the figures. With all of that built in, the KPIs still come out as either good or outstanding, with 40 cash days. It will be necessary to make the leasing and CapEx investments in order to not slip back on our targets.	**SBk**

	It was also noted that we will need to spend money to go through the due-diligence process that is coming up. Reducing staffing capacity at this point may have a negative impact on the ability to complete this work. It is also important to note that the next year is an Ofsted year. **Q – Has the due diligence been costed and is this in the budget?** Not yet, this has not yet been fully costed and has not yet been included in the budget. **Q – Are the forecast student numbers for next year cautious?** MC and SBk have been looking at this. It is possible that the numbers may be higher, although we will need to keep an eye on Year 12 going into Year 13. The 27-28 figures include growth of around 40 students (in September 2026), but more modelling is required around this. **Governors felt that reductions in staffing costs are not something to be actively pursuing at this point, given the current situation and upcoming work.** **Q – Have any costs relating to CLT restructure been included in the budget?** Yes. Discussion around the Vice-Principal role and future recruitment. Discussion around non-staffing reductions. If CLT can identify any non-staffing reductions, governors were supportive of this. If budget holder bids could be effectively self-funded by identifying savings, this would be supported. Governors noted the hard work of SBk and the team in getting the college to the positive financial position it is now in. It was also noted that the spend on the due diligence is required but is done so reluctantly by governors. ***2027-28*** – It is important to note that decisions about the 2026-27 budget will affect 2027-28, and that governors will need to feel comfortable with the assumptions being made at this stage. **Governors were comfortable with the assumptions being made at this point.** SBk talked through the sensitivity analysis. Noted that the worst-case scenario planning shows a drop to 33 cash days. There was a discussion around this. It is unlikely that all of the negative scenarios will apply. MAT related costs could be significant; however, this modelling demonstrates that this could still be managed if required. It will be important to manage these costs as much as possible to avoid an impact on the students. Further discussion around the possibility of colleges not being able to afford a negotiated pay rise, and the impact of this. Further discussion around the cumulative effect of pay awards, and the impact on future years. Student numbers and the government funding rate are the key variables in our ability to afford this. Governors need to be fully informed about the possibility of pay awards negatively impacting future budgets. ***5.3 Finance Updates:*** SBk talked through the key points. Noted that the Whole Government Accounts return will be additional work, although not a significant piece of work.	

	Q – Is there a model to be completed that can be fed from existing information? The information will be information that we already have and complete in other returns. The concern is whether the budget headings will align, but we do not know at this point.	
6. Risk Management	***6.1 Review of Board of Governors' Risk Register Items – Risk Dashboard:*** SBk talked through the updates. Risks 6.16 (pension liabilities) and 6.16 (liquidity and cash flow) have reduced scores. 6.16 will remain as medium to ensure it is monitored. SBk also noted that the completion rate would show 7% of tasks not started if three new risks had not been added at the beginning of April. ***6.2 Safeguarding/PREVENT – Committee Duty Review:*** Discussed in the completion of the security gates.	
7. Report Items to Board of Governors	***7.1 Report items to Board of Governors:*** There is another meeting before the next Board, which will update. ***7.2 Committee Briefing Next Meeting:*** None	
8. Other Business	***8.1 Other Business:*** Discussion around recruitment for the Finance Director post. Shortlisting for the post will take place this week, with interviews next week.	
9. Next Meeting	Wednesday 3 June 2026 at 16:00	
Minutes Agreed	**Minutes of Meeting agreed as true and accurate record Wednesday 3 June 2026** **Signed: ________________________ Committee Chair**	