

LUMINATE EDUCATION GROUP

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON MONDAY 20 OCTOBER 2025

Board Members Present

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| Bill Barton | Governor |
| Colin Booth | Group CEO |
| Andrew Chang (up to agenda item 14) | Governor |
| Becky Hewitt | Governor |
| Julie Hyde (from item 9 and via MS Teams) | Governor |
| Vwaire Ikwe | SU President and Student Governor |
| Richard Lee | Staff Governor |
| Cath Lennon | Governor |
| Carolyn Lord | Governor |
| Ken Morton | Governor |
| Jane Pither (via MS Teams) | Governor |
| Richard Shaw (up to agenda item 13) | Governor |

The quorum for the meeting was nine board members

Other Attendees

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| Melanie Halstead | Director of Governance |
| Stuart Jolley | Chief Financial Officer |
| Bill Jones | Deputy CEO & Executive Principal (CEO Designate) |
| Gemma Simmons-Blench | Deputy CEO |
| Ann Marie Spy (via MS Teams) | Group Vice Principal Adults |
| Isabel Sutcliffe | Vice Chair, Harrogate College Board |
| David Warren | Group Vice Principal Development |
| Joe Wilson | Principal, Leeds Conservatoire |

The meeting started at 2pm and took place at the Leeds City College Printworks Campus

MEETING ADMINISTRATION

1. Welcome and Apologies for Absence

It was noted that apologies for absence had been received from John Toon (Chair of Governors); Cath Lennon (Vice Chair) had agreed to chair the meeting in his absence. Apologies for absence were also received from June Dennis and Matt Findull (Governors), Mala Dhillon (Group Director of People, Development & Culture) and Natalie Wilson (Group Vice Principal Skills).

The Chair welcomed Vwaire Ikwe (SU President and Student Governor) to her first meeting of the board.

2. Determination of Observers/Attendees at the Meeting

The board agreed attendees/observers at the meeting as per the above attendance list.

3. Declaration of Interests in any Agenda Items

Governors were reminded of the requirement to declare their interest in any agenda items. Richard Shaw declared an interest in agenda item 12b (Livingstone House Project Budget) in his capacity as owner of GenNorth. Other standing declarations as per the register of board members' interests were also noted.

4. Minutes of the Meetings of the Board held on 21 July and 2 October 2025 and Actions/Matters Arising from previous meetings

The board considered the draft minutes of its meetings held in July and October 2025 and reviewed the rolling list of actions and other matters arising from previous meetings. With regard to the latter, the CEO undertook to present a paper reviewing the success of the international recruitment strategy at the next board meeting.

RESOLVED:

That the minutes of the meetings of the board held on 21 July and 2 October 2025 be approved as a true and accurate record and that these be signed by the Chair.

5. Communications

Chair's and CEO's Communications

Governors were updated on matters relating to White Rose Academies Trust (WRAT) including the progress being made towards merger with another Trust and the appeal submitted following the Employment Tribunal (ET) preliminary hearing held in July 2025. The latter was likely to impact on the timing of the ET claims against WRAT currently scheduled for hearing in March 2026.

Congratulations were conveyed to all involved following Leeds City College's recent designation as a Centre for Excellence in SEND and to colleagues at Leeds Conservatoire on the successful VIP launch of 'Music Leeds Us', an exhibition celebrating 60 years of music in Leeds in collaboration with Leeds City Museum.

Written Resolutions and/or Chair's Action

Three written resolutions had been circulated and approved between board meetings; these related to (i) the Morley Adult Education Centre (ii) board and committee membership and (iii) proposed changes to senior staff roles/job titles and the appointment of an Executive Principal for Leeds City College.

Update from SU President

The SU President updated governors on recent and planned SU activity, including a student voice conference planned with the CEO Designate.

Feedback from Link Governors

The Link Governor for SEND briefed the board on recent changes to the Supported Engagement Department which was now the Future Pathways Department, with more focus on business and employers to enhance progression opportunities for students.

STRATEGIC ITEMS OF BUSINESS

6. Review of Group Risk Register and any Emerging Risks/Issues

Having discussed the latest iteration of the group risk register, governors supported a proposal to remove the risk relating to potential industrial unrest as a result of the cost of living crisis and the group's ability to respond sufficiently, at least for the time being. It was felt that the risk had decreased significantly due to the completion of localised restructures, a consolidated pay award for all staff in the summer and ongoing positive relationships with trade unions. Governors also supported a proposal to remove the risk around judicial review impacting on funding to build the new college and as a result the viability of Harrogate College; this was no longer considered to be a risk as planning permission had now been granted for the new build.

It was noted that the risk relating to increased community tensions had been refocused to the group's ability to respond effectively to critical incidents on site.

No new risks had been added to the risk register since the previous board meeting but at its meeting in September 2025 the Audit Committee had requested that health and safety and management of capital projects be identified as emerging risks.

RESOLVED:

To approve the current iteration of the group risk register and to support the Audit Committee's identification of health and safety and management of capital projects as emerging risks.

7. Feedback from a meeting of the Audit Committee held on 19 September 2025

The Chair of the Audit Committee presented a report providing feedback from the committee's most recent meeting and drew to the board's attention three audits which had resulted in limited assurance opinions, those being (i) Business Continuity (ii) Health & Safety Management and (iii) Post Project Review – Park Lane C Block. The Group CEO & Accounting Officer had been invited to attend the Audit Committee meeting in September to provide his response to these audit reports. Committee members had not been content with the suggested timescales for implementation of the recommendations relating to Business Continuity and Health & Safety Management and had therefore tasked the Group CEO & Accounting Officer with drawing up more detailed action plans with revised timescales to ensure the completion of all actions by the end of the current academic year. These action plans along with progress updates would be presented at the next committee meeting in November 2025. The committee would also continue to monitor the implementation of the Park Lane C Block post project review action plan, with an update on progress requested for its next meeting.

The board supported a proposal to commission a review of the Harrogate College and Temple Newsam projects to gain further assurance around the issues identified from the Park Lane C Block review, alongside regular reports from the Property Strategy Committee on its monitoring of capital projects. The Chair of the Audit Committee also suggested that the group's financial regulations be reviewed insofar as these relate to capital projects and undertook to discuss this with the Chief Financial Officer outside of the meeting.

Within their internal audit annual report for 2024/25 Validera had provided the following overall audit opinion: *“Overall, in our opinion, the Luminate Education Group has adequate and effective risk management, adequate and effective governance, and adequate and effective control processes.”* The full report would be provided to the board as part of the Audit Committee's annual report in December 2025.

8. Feedback from a meeting of the Leeds Conservatoire Board held on 9 October 2025

The Chair of the Leeds Conservatoire Board provided feedback from the board's recent meeting and governors went on to discuss the challenges associated with the server migration project and the impact on conservatoire students and staff. The Principal confirmed that the issues had now in the main been resolved. Governors were pleased to hear that the conservatoire's NSS (national student survey) results were generally positive and improving. An update on student recruitment appeared later on the agenda for this meeting.

9. CEO's Report

Overview of the Strategic Landscape

The CEO and CEO Designate jointly presented an overview of the strategic landscape and facilitated a board discussion on the associated opportunities and challenges to Luminate. The discussion focused on the Post-16 Education & Skills White Paper, the AoC and Universities UK Report 'Delivering a joined-up post-16 skills system' (October 2025), the Curriculum and Assessment Review and the Education Committee's report 'Solving the

SEND Crisis'. Governors welcomed the format and content of this presentation and discussion and asked that similar sessions be planned for future meetings.

Student Recruitment 2025/26

The Deputy CEO updated the board on enrolment across all parts of the group as at October 2025. It was reported that there was no risk of not meeting the 16-19 contract value and, assuming the numbers nationally were within range, Luminate should receive some in-year growth funding; this was anticipated to be around £2m but was yet to be confirmed. A discussion followed around the current and likely future waiting lists for some provision. The staff governor highlighted the quality risk that this presented in that some students would in the past have been signposted/referred elsewhere to ensure they succeed but there was no longer anywhere to refer them to so they were instead being retained within the group. Governors also reflected on the importance of maintaining the proportion of students at Level 3.

There were no risks relating to not meeting the adult funding target, however there was a risk to income of approximately £108k relating to Adult Learner Loans. In response to a question from governors the Vice Principal Adults explained the ways in which this risk was being mitigated which included exploring the delivery of some Level 4 courses in-year as intensive programmes. Higher Education (HE) income was predicted to be £250k below target at University Centre Leeds, however, HE recruitment at Temple Newsam and Keighley College remained strong and was likely to meet or slightly exceed target. HE income at Leeds Conservatoire was predicted to be £145k above target, mainly resulting from increased international recruitment. Apprenticeships presented a £500k risk to budget.

In response to a question about recruitment at Pudsey Sixth Form College, the Deputy CEO advised that around 150 students had enrolled to date compared to the target of 200. However, with strong retention from Year 1 to Year 2 the college should be on track to meet the numbers in its three-year plan. Governors asked whether the T Level enrolments were additional or from another campus; the Deputy CEO advised that the T Levels were delivered from both Quarry Hill and Printworks campuses due to the location of expertise but were recruited to Pudsey Sixth Form College.

The board thanked everyone involved in such a successful recruitment period.

RECURRING BUSINESS

10. Strategic and Operational Development Plan (SODP) and Targets 2025/26

At its previous meeting the board had considered the proposed targets for all parts of the group following consideration and recommendation by the relevant member boards. The Deputy CEO now presented the full SODP for 2025/26, highlighting to governors those targets that had been revised in response to regulatory framework updates and better than expected 2024/25 actual data. It was confirmed that a mid-year update against the SODP and targets would be presented to the board in April 2026.

RESOLVED:

To approve the Strategic and Operational Development Plan and Targets for 2025/26.

11. Financial Performance

Feedback from Finance Committee

The Chair of the Finance Committee provided feedback from a meeting of the committee held on 7 October 2025. Significant items of business considered by the committee appeared separately on the agenda for this board meeting. There were no particular risks that the committee wished to bring to the attention of the board other than those covered elsewhere on the agenda for this meeting.

Financial Position and Forecast Outturn including Cashflow Forecast

The Chief Financial Officer presented the forecast outturn which was broadly in line with the budgeted position, with a minor deterioration in EBITDA (£8.2m as at 31 July 2025, compared to budget EBITDA of £9.1m, an adverse variance of £0.9m).

In considering the group's cashflow position through to July 2027 the board noted a cash balance as at 31 July 2025 of £6,724k which represented 21 cash days against the monthly target of a minimum of 25 days. The lowest month end cash balance for 2024/25 was January 2025 at £2,379k which equated to 6 cash days. The cash balance did not meet the target of 25 days for 10 of the 12 months in 2024/25.

For 2025/26 the lowest forecast cash balance would be March 2026 at £4,551k (11 cash days, based on operating payments) and the cash balance would not meet the target of 25 days for 7 of the 12 months in the year. The cash balance at the end of July 2026 was forecast to be £6.3m, representing 18 cash days.

For 2026/27 the lowest forecast cash balance would be March 2027 at £5,597k (13 cash days) and the cash balance would not meet the target of 25 days for 5 of the 12 months in the year. The cash balance at the end of July 2027 was forecast to be £12.2m (32 cash days).

The Finance Committee would continue to closely monitor the cashflow forecast at each of its meetings throughout the year.

12. Property, Estates and Health & Safety

Property Strategy Committee

The Chair of the Property Strategy Committee presented a paper providing feedback from a meeting of the committee held on 7 October 2025. The committee had spent time considering the Health & Safety Annual Report 2024/25 and was pleased to report that completion rates for mandatory training were strong at 96%. Committee members had discussed the disruption caused by unplanned evacuation and were informed that this was predominantly due to vaping inside college buildings. Pudsey Sixth Form College and Harrogate College were now smoke and vape free zones and governors were reassured that a 'smoking & vaping' cross college group was working towards implementing this at other sites by no later than 2030 and sooner wherever feasible.

The committee had also reviewed the Health & Safety and Business Continuity internal audit findings, as presented to the Audit Committee in September 2025. Committee members had explored why overall compliance was reported at 46% within the Health & Safety audit report and heard from management that the statistic was skewed by outdated monitoring systems and was in fact closer to 80%, with most compliance issues being remedial works. It was reported that the introduction of specialist software which was currently being procured would speed up the administrative process and provide more accurate data going forward.

Other significant items of business considered by the committee appeared separately on the agenda for this board meeting.

Livingstone House Project Budget

At its meeting held on 2 October 2025 the board had agreed to accept the offer of £8m grant funding from Leeds City Council, that work progress towards purchasing the 127 year lease on Livingstone House, and that plans to refit the whole of Livingstone House for teaching and learning use as a Health Sciences Centre be developed towards RIBA Stage 4. Following consideration by the Property Strategy and Finance Committees earlier that month, the board was now recommended to approve the Phase 1 project budget.

It was reported that since circulation of the report, the draft grant agreement had been received from Leeds City Council and was currently being reviewed by the group's legal advisers. Linked to this, the Chief Financial Officer reported that the group's cash balances continued to improve and were substantially higher than they were at the same point in the previous year. Continued close monitoring of the amount of cash in the bank enabled him to identify when the group was likely to have surplus cash balances that could be placed on term deposit. He explained that the group benefited from a daily sweep of its operational accounts into the instant access deposit account but that, as rates had reduced over the last year or so the rate on this account had dropped. In anticipation of receipt of the Livingstone House grant as a lump sum, the Chief Financial Officer had been in discussion with Santander about suitable term deposits that would be available to Luminate and had secured a rate of 3.95% for deposits of £5m+ for 35 days. Whilst the Livingstone House grant was yet to be received, the group already had surplus funds to place on deposit and £5m had been deposited that week in accordance with the requirements set out in the group Treasury Policy. The policy limited term deposit placements to £5m for each institution, prohibiting the placement of any further term deposits that would run concurrently with the recent term deposit with Santander.

The Chief Financial Officer advised that from an operational perspective it would be preferable to place further deposits with Santander rather than to identify a different institution to place the surplus funds with, as the group already had established links and systems with the bank and a direct contact with a Relationship Director. It was considered unlikely that such preferential terms could be obtained with another institution. The board was therefore asked to approve a variation to the Treasury Management Policy such that term deposits with the group's main banker (Santander) are not capped at £5m at any one time, but are capped at £20m.

The Chief Financial Officer considered the risk of placing funds up to £20m with Santander to be limited with the A-1 credit rating held by Santander UK plc indicating a high level of creditworthiness and a very low risk of default. In addition, the group was likely to have a net-indebtedness to Santander for some time yet due to the existing loans.

RESOLVED:

To approve a variation to the Treasury Management Policy to increase the cap on term deposits with Santander from £5m to £20m for the time being and that the Chief Financial Officer explore other options longer term.

Review of Progress and Performance against the Curriculum, Student Growth & Property Strategy

The CEO introduced a paper reviewing the Curriculum, Student Growth & Property Strategy first approved by the board in October 2020. Governors welcomed the high level review of all of the major projects included in the strategy.

Health & Safety Annual Report

The board welcomed the detailed Health & Safety Annual Report for 2024/25, as discussed earlier in the meeting.

13. Policies

Governors were asked to consider and approve the Further Education (FE) Fees Policy for 2025/26 and the Safeguarding Children and Adults Policy 2025/26. In considering the latter governors discussed the assurance aspects sitting alongside the policy, for example safer recruitment, and the robustness of those processes. Governors also discussed the exclusion of vulnerable students, expressing concern that permanent exclusion could increase safeguarding risks. The Deputy CEO explained how the risk of some students remaining on campus could be greater, emphasising the importance of finding the right balance. Governors therefore suggested a slight rewording of the policy to make clear that permanent or fixed term exclusion would be used in exceptional cases only.

RESOLVED:

- (a) To approve the Further Education (FE) Fees Policy for 2025/26, as presented.
- (b) To approve the Safeguarding Children and Adults Policy 2025/26 subject to additional wording relating to exclusions being added to section 10, as requested by governors.

14. Reappointment of Chair and Proposed Appointment of Chair Designate

The Director of Governance reported that John Toon's term of office as a governor of Luminate Education Group and Chair of Governors would end on 31 October 2025. The board had previously discussed extending his term of office to provide a level of continuity and support during the transition to a new CEO in January 2026. The Chair had now confirmed his willingness to continue in role until the end of the current academic year, should the board wish him to do so.

RESOLVED:

- (a) That John Toon's term of office as a governor of Luminate Education Group and as Chair of Governors be extended to 31 July 2026.
- (b) That a Chair Designate be appointed at the earliest opportunity with a view to them taking up their role as Chair of Governors with effect from 1 August 2026.

CONFIDENTIAL BUSINESS

(All members of staff other than the CEO, CEO Designate, Staff Governor and Director of Governance withdrew from the meeting for the remaining item of business)

15. Feedback from a meeting of the Remuneration Committee held on 16 October 2025 and Committee Terms of Reference 2025/26

The Chair of the Remuneration Committee provided feedback from the committee's most recent meeting at which members had considered senior staff targets for 2025/26 and role descriptions following the changes to roles/responsibilities agreed by the board in September 2025. It was confirmed that proposed targets for the new CEO effective from January 2026 would be considered by the committee at its next meeting in November 2025.

Proposed changes to the committee's terms of reference were recommended for approval by the board, the main change being to add leadership succession planning to the committee's responsibilities.

RESOLVED:

To approve the proposed changes to the Remuneration Committee Terms of Reference for 2025/26.

The meeting closed at 5.07pm

Signed: (Chair) Date: