

LUMINATE EDUCATION GROUP

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON MONDAY 15 DECEMBER 2025

Board Members Present

Colin Booth	Group CEO
Andrew Chang	Governor
June Dennis	Governor
Becky Hewitt	Governor
Julie Hyde	Governor
Vwaire Ikwe (up to agenda item 14)	SU President and Student Governor
Richard Lee	Staff Governor
Cath Lennon	Governor
Carolyn Lord	Governor
Ken Morton	Governor
Jane Pither	Governor
Richard Shaw	Governor
John Toon	Governor and Chair of the Board

The quorum for the meeting was nine board members

Other Attendees

Mala Dhillon (up to item 16)	Group Director of People, Development & Culture
Melanie Halstead	Director of Governance
David Hoose (items 6 & 7 – via MS Teams)	Forvis Mazars
Stuart Jolley (up to item 16)	Chief Financial Officer
Bill Jones (up to item 16)	Deputy CEO & Executive Principal (CEO Designate)
Andrew Roach	Vice Chair, Leeds City College Board
Gemma Simmons-Blench (up to item 16)	Deputy CEO
Isabel Sutcliffe	Vice Chair, Harrogate College Board
David Warren (up to item 16)	Group Vice Principal Development
Joe Wilson (up to item 16)	Principal, Leeds Conservatoire
Natalie Wilson (up to item 16)	Group Vice Principal Skills

The meeting started at 10am and took place at the Leeds City College Printworks Campus

MEETING ADMINISTRATION

1. Apologies for Absence

Apologies for absence were received from Bill Barton and Matt Findull (Governors) and from Ann Marie Spry (Group Vice Principal Adults).

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 items 15d (Temple Newsam Project), 15e (Disposal of University Centre) and 15f (Related Party Transaction) in his capacity as owner of GenNorth. It was noted that members of the executive would withdraw for agenda item 16 (Remuneration Committee). Other standing declarations as per the register of board members' interests were also noted.

4. Minutes of the Meeting of the Board held on 20 October 2025 and Actions/Matters Arising from previous meetings

The board considered the draft minutes of its meeting held on 20 October 2025 and reviewed the rolling list of actions and other matters arising from previous meetings. With regard to the latter, all identified items either appeared separately on the agenda for this meeting or were scheduled for future meetings.

RESOLVED:

That the minutes of the meeting of the board held on 20 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 recent feedback from the Regional School Commissioner regarding the proposed merger with another Trust and the EAT hearing scheduled for January 2026. Feedback was also provided from the recent AoC (Association of Colleges) annual conference.

Written Resolutions and/or Chair's Action

It was confirmed that three written resolutions had been circulated and approved between board meetings; these related to appointments/reappointments to governance roles (resolutions dated 18 November and 10 December 2025) and amendment to the DfE loan arrangement (resolution dated 29 November 2025).

Update from SU President

The SU President updated governors on recent SU activity which included a parliamentary trip and student voice conference. The SU President had also attended the NUS annual conference and had met with other SUs in Leeds.

Feedback from Link Governors

The EDI Link Governor provided feedback following her attendance at the most recent EDI committee meeting, reporting overall good progress and a continuing focus on EDI impact during decision making. The Link Governor for Safeguarding briefed the board on the shift in focus from beyond 'compliance' to 'strategic oversight', expressing confidence that leaders were well sighted on this. Governors asked whether the group was able to draw upon any comparison with other local colleges in relation to safeguarding process and systems. The Deputy CEO advised that Luminate's Designated Safeguarding Officer was involved in a number of local, regional and national groups and boards related to safeguarding as well as being linked in with the local authorities in West and North Yorkshire.

FINANCIAL STATEMENTS AND REGULARITY AUDIT FOR THE YEAR ENDING 31 JULY 2025

6. Audit Committee

The Chair of the Audit Committee provided feedback from a meeting of the committee held in November 2025 and presented the committee's annual report. Other significant items of business considered by the committee appeared as separate agenda items for this board meeting, all of which were recommended for approval. The board was pleased to receive the Audit Committee's annual report and opinion for the year ending 31 July 2025 which stated:

"In conclusion, the Audit Committee's opinion is that the organisation does have adequate and effective assurance arrangements (including subcontracting assurance arrangements), framework of governance, risk management and control processes for the effective and efficient use of resources, the solvency of the institution and the safeguarding of its assets.

This will be further strengthened following implementation of the recommendations identified in the limited assurance audit reports received during the year reported on; the Audit Committee is monitoring these closely to ensure timely implementation."

7. Year End Audit and Accounts for 2024/25

Going Concern Assessment

The board discussed the approach to the assessment of the group as a going concern, supported by a detailed paper prepared by the Chief Financial Officer (CFO). Governors focused their discussion on the group's capital programme, operating cashflow and cashflow forecast covering the current and forthcoming financial years.

Having considered the financial projections presented to it, the board was satisfied that the group had sufficient cash to support capital programmes and operational performance through to July 2027 and therefore agreed the preparation of the accounts for the year ending 31 July 2025 on a going concern basis. This approach had also been supported and recommended by the Audit Committee following discussion at its meeting in November 2025.

Board members were reminded that, as in previous years, Leeds Conservatoire required a letter of support from Luminate Education Group to support its own going concern position for the financial year ending 31 July 2025. It was confirmed that the group had obtained the necessary consent from the DfE to provide this letter of support.

The CFO informed governors of a recent amendment to the financial planning handbook (the guidance issued by the DfE each year) requiring the reporting of unspent capital grant as 'restricted cash'. He advised that the consequence of this change is that it reduces the group's current ratio and thus lowers its financial health score. In response to a question from the board the CFO confirmed that the group's financial health score would remain *Requires Improvement* albeit at the bottom end of that measure.

RESOLVED:

To approve the preparation of the financial statements for the year ending 31 July 2025 on a going concern basis.

Audit Completion Report

Board members welcomed the audit completion report presented by Forvis Mazars, its purpose being to set out any issues which had come to their attention during their audit work and their conclusion in the financial statements on whether the accounts give a true and fair view of the state of the institution's finances. It was confirmed that Forvis Mazars would be issuing clean audit and regularity opinions having identified no new internal control issues. It was noted that the proposed letters of representation were standard in nature with no additional or specific disclosures required from Luminate.

RESOLVED:

To approve the letters of representation to Forvis Mazars for the year ending 31 July 2025.

Year End Accounts

The board reviewed the group's report and financial statements for the financial year ending 31 July 2025, including the operating and financial review, statement of corporate governance and internal control, statement of regularity, propriety and compliance and the statement of responsibilities of the members of the Corporation.

RESOLVED:

To approve the Luminate Education Group annual report and accounts for the year ending 31 July 2025 for signature by the Chair and CEO/Accounting Officer.

Modern Slavery and Human Trafficking Statement

The CFO introduced the Luminate Education Group Modern Slavery and Human Trafficking Statement setting out the actions taken by the group to understand all potential modern slavery risks related to its business and the steps taken to ensure that there is no slavery or human trafficking in its own business or supply chains. The statement related to the group's actions and activities during the financial year ending 31 July 2025 to meet the requirements of Section 54 of the Modern Slavery Act 2015.

RESOLVED:

To approve the Modern Slavery and Human Trafficking Statement 2025/26.

STRATEGIC ITEMS OF BUSINESS

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

In considering the latest iteration of the group risk register, the board focused its discussion on two new risks relating to capital project procedures and monitoring of health & safety statutory compliance tasks. With regard to the former, it was noted that a further internal audit had been commissioned focusing on the Harrogate College, Temple Newsam and Livingstone House projects. The Audit Committee had welcomed the progress made to address the recommendations arising from internal audits of health & safety management, business continuity and the Park Lane C Block post project review but stressed the need for continued urgency to implement all remaining actions. The Deputy CEO advised that a risk around industrial unrest was likely to be added to the next iteration of the risk register due to the group's failure to reach agreement with trade unions on the 2025/26 staff pay award.

RESOLVED:

To approve the current iteration of the group risk register including the mitigating actions in place and planned by management.

9. Feedback from Group Member Boards

The respective chairs and/or senior leaders provided feedback from recent meetings of the FE College Boards, the University Centre Leeds (UCLeeds) Board and the Leeds Conservatoire (LC) Board, with a particular emphasis on any key risks identified. It was reported that the University Centre had moved into the new campus at Mabgate; the marketing strategy and branding remained the key focus for senior leaders and the board. The Chair of the UCLeeds Board also drew governors' attention to changes to the Teaching Excellence Framework and the importance of UCLeeds retaining its 'silver' rating when assessed in 2027. The board was updated on the appointment of the new Executive Principal of Leeds City College and was pleased to hear of the good progress being made on the Harrogate College new build. It was reported that the opening of the new adult skills hub in Keighley had resulted in tangible outputs in terms of apprenticeship numbers. Total postgraduate enrolments at Leeds Conservatoire had increased by 69% from 2024/25 to 2025/26, with increases across both home and international students. With regard to 2026/27, undergraduate and postgraduate applications had risen year on year by 10% and 24% respectively. It was reported that Unison had voted in favour of strike action in relation to the 2024/25 pay award at Leeds Conservatoire; the Principal of LC confirmed that there were no concerns around continuing operations.

10. Review of International Recruitment Strategy

As previously requested by the board, the Group Vice Principal Development presented a detailed paper updating governors on the International Strategy agreed in December 2023. The board considered delivery against the agreed targets, progress to date, the key challenges associated with the strategy, and the opportunities for future growth. Governors explored with management the potential risk of over reliance on international activity,

particularly at Leeds Conservatoire. The Principal of Leeds Conservatoire advised that whilst in the generalist HE sector the number of international students was reducing, the Chinese market remained very strong for the conservatoire with the home market for music in China being full. He explained that if the conservatoire reached 300 international students it would be circa 19% of its income; whilst this was considered to be a risk, it was felt to be less of a risk than not pursuing the strategy. It was also noted that Leeds Conservatoire was less reliant on international students than its competitors. In response to a further question, it was reported that the conservatoire's financial return to the Office for Students (OfS) did not place reliance on international income or World Leading Specialist Provider Funding.

Following its discussion, the board supported the direction of travel set out within the circulated report, that being, in summary, that investment in international recruitment is strengthened at Leeds Conservatoire and reduced at University Centre Leeds until sponsor licence conditions change and it can progress towards a Trusted Sponsor Status.

11. Potential Partnership between Luminate and Leeds Beckett University

Separate confidential minutes refer.

12. Annual Review of Curriculum, Student Growth and Property Strategy

In presenting the latest iteration of the group's Curriculum, Student Growth & Property Strategy, the Deputy CEO advised that whilst the details of the strategy had been updated and revised each year, the principles and overall aim of growing to ensure that the group can meet demand from increasing student numbers remained the same. However, the details of which student numbers had grown and where they had grown had changed over the years, underlining the need for the strategy to be as flexible as possible.

The main risk associated with the strategy was identified as being to invest in the estate assuming that student numbers and income would grow and that this then does not happen. The main mitigation for this risk was the principle that the student number baseline targets within the strategy were at a level that the group was confidently expecting to meet or exceed. The fall back mitigation if student numbers do not grow as expected would be to make savings by giving up short-term leased space and stopping work on projects which had not reached the main contracting and build stage.

Following detailed review by both the Property Strategy and Finance committees, the strategy was recommended for approval by the board. Members also supported a proposal that the strategy be separated from the 2026/27 academic year into a Curriculum and Skills Strategy (referencing demographic trends and policy impact) and an Estates and Sustainability Development Strategy; to be discussed further at the board's strategic seminar in March 2026.

RESOLVED:

To approve the latest iteration of the Curriculum, Student Growth & Property Strategy as presented.

13. FE Pay at Luminate Education Group

The Deputy CEO & Executive Principal (CEO Designate) introduced a paper updating the board on the annual pay award and requesting board approval of the approach to implementing a pay award for those on Luminate contracts for 2025/26. Governors were reminded that the Luminate group had awarded staff in its FE colleges and shared services the AoC recommended pay award since at least 2015 with Leeds Conservatoire, as a separate legal entity, making separate awards. It was noted that the AoC recommended pay award for 2025/26 was 4%, based on affordability and with no recommendation from when the award should be made.

Due to the lagged funding model and the dates the group receives its core income, it was proposed to move the annual pay award from 1 December each year to 1 April of the same academic year. This year, as an interim measure, it had been proposed to trade unions that the group pay a proportion of any agreed pay award from 1 December 2025 and the remainder from 1 April 2026 with the next pay award date then being April 2027. The Deputy CEO & Executive Principal advised that a 2% increase in December and a further 2% in April was the most likely outcome as discussions with trade unions continued.

RESOLVED:

To approve:

- (a) The implementation of a 4% pay award for 2025/26 as detailed within the circulated report; and
- (b) The implementation of the 2026 Real Living Wage and revised apprenticeship rates of pay from 1 April 2026.

RECURRING BUSINESS

14. Financial Performance

Feedback from Finance Committee

The Chair of the Finance Committee provided feedback from a meeting of the committee held on 2 December 2025. The committee had discussed the group's revolving credit facility with Santander that has a maturity date of November 2026. The CFO advised that the DfE had indicated their intention to refinance this facility as close to the maturity date as possible but that the group would seek an earlier resolution as going beyond the year end date (July 2026) could impact on the group's financial health score. Other significant items of business considered by the committee appeared separately on the agenda for this board meeting.

Financial Position and Forecast including Cashflow Forecast

The board reviewed the group financial position for the three months to 31 October 2025, noting that the year to date EBITDA figure of £2.9m represented a favourable variance of £2.3m. The Q1 EBITDA forecast was £1.4m adverse to the budget. However, it was reported that no assumptions had been made within the forecast with regard to exceptional growth funding for Study Programme activity and the CFO expressed a level of confidence in the group exceeding its budgeted EBITDA if awarded such growth funding (still to be confirmed at the time of the meeting). Governors discussed an identified risk around the timing of drawdown of DfE capital grant funding and loans, particularly relating to the Temple Newsam project. It was reported that discussions with the DfE were ongoing and the CFO confirmed that the cashflow provided for a potential shortfall. The CFO advised that whilst the group would not achieve its target of 25 cash days every month throughout the year, it was in a more comfortable position than the previous two years from a cash perspective.

Capital Expenditure and Funding Monitoring Statement

The board welcomed the second iteration of what was now a regular agenda item setting out the expenditure and funding position of ongoing and recently completed capital projects. The CFO confirmed that the version presented had been updated to reflect recently agreed changes to the DfE loan allocation.

15. 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 2 December 2025 and drew governors' attention to two

recent RIDDOR incidents, both involving falls from stairs. It was acknowledged that RIDDOR incidents remained low in number for an organisation the size of Luminate.

The committee had spent considerable time reviewing progress against the action plans to address Health & Safety and Business Continuity internal audit findings. Committee members explored with Estates colleagues the resource and time required to set-up and populate a Computer Aided Facilities Management (CAFM) system with Luminate information. The committee was assured that an accurate record of the estate footprint existed and would provide baseline data going into a CAFM system. With regard to business continuity, and due to a recent knife crime incident at Sheffield College and Martyn's Law, lockdown training had risen in priority. Business impact analysis would form part of the training. It was noted that the Estates team plan to appoint and trial a mass communications system at Printworks Campus, and other major campuses, in the new year.

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

Health & Safety Statement of Intent and Policy 2025/26

The Vice Principal Development presented the policy, confirming that the proposed minor revisions had been considered and recommended for approval by the Health & Safety Committee, Senior and Executive Leadership Team (SELT) and the Property Strategy Committee.

RESOLVED:

To approve the Health & Safety Statement of Intent and Policy 2025/26.

Contract Variation – Enfield Project

Following discussion at their respective meetings held on 2 December, both the Property Strategy Committee and Finance Committee had supported management's preferred option for resolving the claim received from the main contractor as a result of the Yorkshire Water delays, that being to enter into a period of dialogue and negotiation to reach a settlement figure. In response to a question from governors, the Group Vice Principal Development expressed a level of confidence in achieving the desired outcome.

RESOLVED:

To agree the option of entering into a period of dialogue and negotiation with the main contractor to reach a settlement figure, as detailed within the circulated report.

Project Budget – Temple Newsam

In June 2025 the board had approved a revised overall budget for the Temple Newsam project. Since that time a number of site issues had arisen, including the presence of bat roosting potential in Rose Lodge, the discovery of an archaeological culvert and the requirement to move the position of the building from that on the consented building to avoid tree roots. It was reported that these issues had increased costs related to main contractor preliminaries, fees for archaeologist and design team resulting in a need to increase the project budget by £206k. The board was reassured that the revised budget provided an accurate position and that an experienced and proven project manager was now leading on the project. It was noted that construction risks remain relating to works at Rose Lodge and the installation of new services. The Group Vice Principal Development also drew governors' attention to the risk around draw down of grant funding by the end of January deadline; he advised that the group was in discussion with the DfE around an extension, but this had yet to be confirmed. The Property Strategy and Finance committees had both agreed to recommend the revised budget for board approval.

RESOLVED:

To approve a revised overall budget of £5,765k for the Temple Newsam project, representing an increase of £206k.

Disposal of University Centre (College House)

The Vice Principal Development presented a paper updating governors on progress with the sale of the University Centre (College House) site and in particular the ongoing engagement with interested parties. It was reported that one of the interested parties had recently submitted a formal offer, subject to a number of conditions, as outlined in the circulated report, and this was recommended for approval by the board. It was confirmed that the planning application would be submitted in joint names and that the developer was confident of securing planning approval for the proposed increase in the number of student beds.

RESOLVED:

To accept the formal offer from Abode Group on the terms detailed within the circulated report, as recommended by the Property Strategy Committee and Finance Committee.

Related Party Transaction – GenNorth *(R Shaw withdrew from the meeting for this item)*

The board had previously considered and approved a 2-year contractual arrangement with GenNorth for the provision of project management support and in May 2025 had approved an increase in the value of the contract, primarily to progress Livingstone House from RIBA Stage 2 designs through to full project completion in autumn 2026. The Group Vice Principal Development now presented a paper seeking approval for Luminate to continue to contract with GenNorth for the provision of additional project management services.

Following careful consideration of the rationale for the extended appointment, and the requirements of the Charities Act in relation to trustees, governors supported the proposal. It was confirmed that the existing compliant procurement route would be used for the variation to contract with GenNorth, under the same terms & conditions and rates. Governors also sought and received confirmation that future project management requirements for the completion of the Livingstone House capital project would be resourced internally, or via a new tender procurement process.

RESOLVED:

To approve an increase in the value of the contract with GenNorth for consultancy support for capital projects, as detailed within the circulated report.

CONFIDENTIAL BUSINESS

16. Remuneration Committee

Separate confidential minutes refer.

The meeting closed at 1.15pm

Signed: (Chair)

Date: