

**MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE
HELD: on Thursday 22 January 2026 at 16:00 in 4F07 DHB**

Present	In Attendance
Bulbul Barrett (Chair)	Chris Malish (Deputy Chief Executive Officer Finance & Corporate Service)
Chris Webb (CEO/Accounting Officer)	Sarah Towan (Vice Principal Recruitment & Communications)
John Williams (via MS Teams)	Allison Booth (Governance Director)
David Merrett	Rachel Henry (Deputy Governance Director)
Apologies	
Lendy Ho	

L/J Denotes the time any individual left/ re-joined the meeting.

Item		Action
1.	<u>Introductions, Apologies for Absence and Disclosures of Interest</u>	
1.1	The Chair welcomed everyone to the meeting.	
1.2	Apologies were noted for Lendy Ho.	
1.3	There were no declarations of interest.	
2.	<u>Chair's action</u>	
2.1	There had been no use of Chair's actions since the last meeting.	
3.	<u>Minutes of the meeting of 4 December 2025</u>	
3.1	RESOLVED: Subject to two minor changes in wording, the minutes of 4 December 2025, including the confidential annex, were approved to be signed by the Chair as an accurate record of the meeting.	
4.	<u>Matters Arising</u>	
4.1	The Matters Arising Report was reviewed: <i>9.2 – Management Accounts (October 2025) - The DCEO F&CS to add timing information to the income and expenditure lines of the management accounts – The DCEO F&CS advised that this had been delayed due to a timing issue and would be presented within the Management Accounts at the next F&GP meeting.</i> <i>10.8 – Student Recruitment - The VPR&C and DCEO F&CS to correlate and standardise the presentation of data across the Management Accounts and Student Recruitment reporting – The DCEO F&CS advised this would be presented at the next meeting when both the</i>	

<p>4.2</p> <p>4.3</p>	<p>Management Accounts and a Student Recruitment item would be reported.</p> <p><i>14.2 – Modern Slavery Act Statement – The DCEO F&CS to check the line included within the Modern Slavery Statement which refers to ‘adequate explanation’ and provide feedback at Corporation – The DCEO F&CS advised that this line covered smaller businesses that may not have the resources to have a formal Modern Slavery statement/policy in place. Work on the wording would be conducted by the Procurement Team.</i></p> <p><i>10.2 – The VPF&CS to explore the interest rates being offered by other banks – The DCEO F&CS had previously advised that feedback from market analysis was awaited.</i></p> <p>Members queried why this action had still not been progressed. The DCEO F&CS advised that it had become a resource issue and would be followed up. Members requested that the action now be expedited and agreed that the various platforms available via the AoC and DfE could be utilised to facilitate the comparison of rates.</p> <p>ACTION: The DCEO F&CS to provide an update on progress made in looking into interest rates offered by other banks at the March F&GP meeting.</p>	<p>DCEO F&CS</p>
<p>5.</p> <p>5.1</p> <p>5.2</p>	<p><u>DCEO F&CS Report</u></p> <p>The DCEO F&CS introduced his report, which served to highlight a number of areas within the other reports on the agenda. Key things to note were:</p> <p>7. Management Accounts for December, cash positions remained strong and financial health was still being forecast as ‘Good’, despite lower income than budget being delivered.</p> <p>8. Q1 Financial forecast, noting the financial position. Whilst income was forecast to be lower, the College was still delivering ‘Good’ financial health and meeting the Bank covenants. There was some increase in risk, due to reduction in headroom on one of the bank covenants, but cash levels remained comfortably above the £4m minimum.</p> <p>9. Annual Treasury Management report, noting the changes with regards to the interest rates on the loans and the reduction in loan capital due to the cash sweep of £0.3m.</p> <p>The offer of an approved 4.5% pay rise had been accepted by the UCU on the 18 December. This had resolved the trade dispute and</p>	

	<p>meant that the three days of planned strike action due to take place in January had been cancelled.</p>	
5.3	<p>The College had worked with LocatED, which assisted providers in locating spaces to deliver provision, to identify a suitable site to accommodate the growth within the construction cohort. A brownfield site owned by the University had been identified as the most viable option. The DCEO F&CS advised that an in-principal offer, and then a subsequent revised offer, had been made. The next step would be to submit a full business case for the purchase to the next F&GP meeting, which, if agreed, would be recommended to the Corporation for approval.</p>	
5.4	<p>The DCEO F&CS advised that the area identified was a clear, flat site which could accommodate a ‘shovel-ready’ project that could be built in stages, over time, as funds allowed. The College would continue to lobby the West Yorkshire Combined Authority and the Department for Education for funds to meet the demand for expansion, specifically in the area of construction. Potential future funding options could also include the use of College funds and pursuing bidding opportunities as they arose. The site’s close proximity to the existing College buildings would support the continuation of a centralised campus.</p>	
Strategic plan Implementation		
6.	<u>F&GP Data Dashboard</u>	
6.1	<p>The DCEO F&CS presented the F&GP Data Dashboard which reflected the final Q1 position and advised that there had been little change since December 2025.</p>	
6.2	<p>All high-level financial metrics were largely being met, with the exception of EBIDTA percentage of income which was currently at 6.9%, compared to the targeted >7%. This had been impacted by the lower-than-projected income, but was still in line with the FE Commissioners benchmark of 6%.</p>	
6.3	<p>Q. Why is staff turnover higher than trend? A. This will be covered in the next Data Dashboard once the full Q2 reporting is available for analysis.</p>	
6.4	<p>Members had an in-depth discussion on the areas of planned income which were below target, including: ESFA 16-19 revenue funding, HE Fee Income, Advanced Learner Loans, Apprenticeship Income, SEND (High Needs ESFA Element 2 and LA Element 3) and 14-16 Learner Fees (Schools). The Committee requested that the DCEO F&CS add</p>	

6.5	<p>further commentary to these areas on the Data Dashboard to demonstrate whether the shortfalls were recoverable in-year.</p> <p>ACTION: The DCEO F&CS to demonstrate whether the shortfalls within planned income were recoverable in-year in the Data Dashboard commentary.</p>	DCEO F&CS
6.6	<p>The VPR&C advised that declining school grade outcomes had affected the College's T-Level intake. Although Level 1/2 intake had risen, direct enrolment to Level 3 courses, including T-Levels, had decreased. Several contributory factors were noted: Bradford continued to have one of the highest rates of persistent secondary school absence nationally; socio-economic conditions in the area were also influential and many young people were experiencing complex home circumstances, whilst not receiving the required support.</p>	
6.7	<p>The CEO advised that the National SEND Review was ongoing and encouraged members to be mindful of the potential impact of the review on the College's SEND provision.</p>	
Finance 2025-26		
7.	Management Accounts (December 2025)	
7.1	Members considered the Period 5 management accounts to December 2025:	
7.2	<ul style="list-style-type: none"> • Staff costs were £0.29m favourable to budget for the year. • Apprenticeships – The adverse variance was mainly a result of lower starts than budgeted, as well as some timing issues around achievement payments being received. • HE Fees – The adverse variance was primarily due to under-recruitment of HE students at the start of the academic year. • The cash position was strong and well above the minimum £4.0m requirement from the Bank. 	
7.3	<p>Q. What is meant by the vacancy factor?</p> <p>A. Staff costs are budgeted on the assumption that posts are filled for the full year. The vacancy factor reflects the anticipated savings arising from natural staff turnover and the time taken to recruit replacements. Earlier in the year, savings were higher due to a number of vacant posts; however, as roles have been filled and agency staff have been required to cover remaining vacancies at a higher cost, the vacancy factor has begun to reduce.</p>	

7.4	<p>Q. Where would a large deferral of tuition fees be shown on the balance sheet?</p> <p>A. This is complex due to the way we have had to deal with capital grants. A large deferral of tuition fees tends to be related to HE fees. The College invoices the Student Loans Company at the beginning of the year, with 25% being paid out in October, 25% in February and 50% in May. A reduction in the deferral amount would be expected after this point. However, due to our HE fees income decreasing, deferrals are generally getting less each year. This would be presented between trade receivables and other receivables in the balance sheet.</p>	
7.5	<p>Members requested that in areas where there had been overspend in internal capital spend, that the overspend reasoning be added to the allocated column in Appendix D.</p>	
7.6	<p>ACTION: The DCEO F&CS to add overspend reasoning to the allocated column in Appendix D – Internal Capital Spend.</p>	DCEO F&CS
8.	<p>Q1 Financial forecast</p>	
8.1	<p>The DCEO F&CS presented an update on the Q1 outturn for 2025/26 and provided an analysis of the variances to the 2025-26 financial plan, in particular:</p> <ul style="list-style-type: none"> • Income – (1.39m) variance – mitigated by staff cost savings of 1.40m. • EBIDTA (including restructuring) – 6.9% compared to 2025-26 Plan of 7%. • Staff costs % of Total Income – within financial metrics - 65.4% (69.1%) compared to 66.2% (70.7%) target. • Borrowing as % of Total Income – had increased slightly to 20.2% due to the total income reducing by £1.39m. • There were no projected breaches in the bank covenants during the planning period to July 2027. 	
8.2	<p>Members queried if the College had any control on the timing of the payments of self-funded capital expenditure for the FTC amounting to £1.3m, as it had been identified that this could adversely affect the bank covenants in July 2026, should the payments occur earlier than currently planned.</p> <p>The DCEO F&CS advised that it would depend on the status of the project closer to the time. Should the project finish earlier, a technical breach of bank covenants was possible. The Bank had been notified and the situation would be closely monitored. There would be communication and possible negotiation with the contractor over</p>	

	<p>payment timings where necessary. Applying for a bank waiver was another possibility.</p>	
8.3	<p>Members requested that the DCEO F&CS made sure that the Bank understood that there could be a potential technical breach of the bank covenants. The DCEO F&CS advised that he had a meeting scheduled with the Bank in 2 weeks-time and would raise it then. Members were advised that the College was no longer receiving ‘business support’ from the Bank and had now been allocated a bank relationship manager. Management Accounts and the College’s CFFR was shared with the Bank in the interests of transparency.</p>	
8.4	<p>Members noted that there appeared to be discrepancies within the opening cash and closing cash figures in Appendix C. The DCEO F&CS advised that this was likely a formulaic/presentational issue and would be rectified.</p>	
8.5	<p>ACTION: The DCEO F&CS to look into and rectify the discrepancies within the opening cash and closing cash figures in Appendix C – Monthly Cash Flow Forecast 2025-26.</p>	DCEO F&CS
8.6	<p><i>A separate confidential minute was recorded – see annex.</i></p>	
9	<p>Annual Treasury Management Report</p>	
9.1	<p>The DCEO F&CS presented the Annual Treasury Management Report, advising that it predominantly reported on details of the College’s loans profile and interest receivable.</p> <p>During the 2024/25 financial year, the College had received £553k in interest receivable. This was a reduction of £18k from that received in the 2023/24 financial year (£571k), which reflected the reduction of interest rates from the BoE.</p> <p>Capital loan repayments continued to be made quarterly at a value of £225k (£900k per annum). An extra repayment of £58k had been made, which related to the cash sweep from the 2023/24 Financial year. Consequently, outstanding loans had reduced from £14.9m at 31 July 2024 to £13.9m at 31 July 2025. There would be a further cash sweep of £344k that would be made in the coming months, that related to the 2024/25 financial year.</p>	
9.2	<p>Members reiterated the importance of the action to investigate the interest rates offered by other banks as it would also demonstrate effective management of public funds.</p>	

Policies		
10.	None	
Governance and Risk		
11.	Strategic Risk Monitoring	
11.1	<p>The Committee reviewed the strategic risks for which it has oversight.</p> <p>The DCEO F&CS advised that updates in commentary had been provided in relation to the finalised Q1 financial position, the estates condition grant, the cumulative position on staff turnover and the College's current position with the Unions.</p>	
12.	Items for report to the Corporation	
12.1	<p>It was noted that there was another meeting of the F&GP Committee on 19 March ahead of the next Corporation meeting on 26 March 2026. Items from this meeting for reporting to Corporation include:</p> <ul style="list-style-type: none"> Minutes of meeting - 22 January 2026 	
Any Other Business		
13.	Any other business	
13.1	<p>Q. Where are we with the sale of the Appleton Building?</p> <p>A. The Appleton sale has not progressed as yet and projected sale proceeds have not been included in any financial forecasts.</p>	
13.2	<p>Members discussed the branding of the Bradford School of Arts and whether more could be done to capitalise on its famed alumni. The VPR&C advised that the Bradford School of Arts was a strong heritage brand within the local community and more wide-reaching alumni engagement was planned going forward. Continued uplift had been seen with the Producing Academy, which had been launched in the previous term and within the FE Arts Curriculum, since it had been moved into DHB. Work was ongoing in ensuring the relevancy of the Arts curriculum, with a focus on digital art and immersive technology.</p>	
13.3	There was no other business.	
13.4	The Chair closed the meeting at 17:24.	
14.	Meeting Evaluation	
14.1	ACTION: To be circulated by the Deputy Governance Director.	DGD

Approved by the Committee:

L.Ho

19.03.26

Signed by the Chair

Date

Agreed actions

No	Minute	Action	Who?
1	4.3	The DCEO F&CS to provide an update on progress made in looking into interest rates offered by other banks at the March F&GP meeting.	DCEO F&CS
2	6.5	The DCEO F&CS to demonstrate whether the shortfalls within planned income were recoverable in-year in the Data Dashboard commentary.	DCEO F&CS
3	7.6	The DCEO F&CS to add overspend reasoning to the allocated column in Appendix D – Internal Capital Spend.	DCEO F&CS
4	8.5	The DCEO F&CS to look into and rectify the discrepancies within the opening cash and closing cash figures in Appendix C – Monthly Cash Flow Forecast 2025-26.	DCEO F&CS
5	14.1	Meeting Evaluation to be circulated by the DGD	DGD