

**MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE
HELD: on Thursday 19 March 2026 at 16:00 in 4F07 DHB**

Present	In Attendance
Lendy Ho (Chair)	Richard Lewis (RSM) (Item 1) (via MS Teams)
Chris Webb (CEO/Accounting Officer) (via MS Teams)	Chris Malish (DCEO Finance & Corporate Services)
John Williams (via MS Teams)	Liz Leek (DCEO Quality & Curriculum) (via MS Teams)
David Merrett	Sarah Towan (Vice Principal of Recruitment & Communications)
	Allison Booth (Governance Director)
Apologies	Rachel Henry (Deputy Governance Director)
Bulbul Barrett	

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

Item		Action
1.	<u>Annual Report and Financial Statements</u> <i>A separate confidential minute was recorded – see annex.</i>	
2.	<u>Introductions, Apologies for Absence and Disclosures of Interest</u>	
2.1	The Chair welcomed everyone to the meeting.	
2.2	Apologies were noted for Bulbul Barrett.	
2.3	There were no declarations of interest.	
3.	<u>Chair’s action</u>	
3.1	There had been no use of Chair’s actions since the last meeting.	
4.	<u>Minutes of the meeting of 22 January 2026</u>	
4.1	RESOLVED: The minutes of 22 January 2026, including the confidential annex, were approved to be signed by the Chair as an accurate record of the meeting.	
5.	<u>Matters Arising</u>	
5.1	The Matters Arising Report was reviewed: 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 – The DCEO F&CS advised that the College had met with one cash management platform and were awaiting a meeting with another. The next steps would be to develop a stronger Treasury Management Policy to ensure the risks associated with a cash management platform were effectively managed. This would be	

	<p>presented at the next F&GP meeting. Members requested clarification on the entity that would hold the funds when using a cash management platform and the associated money laundering requirements. The DCEO F&CS advised that the Terms & Conditions for the use of the cash management platforms would be shared with the Committee for oversight.</p>	
5.2	<p>ACTION: The DCEO F&CS to provide the updated Treasury Management Policy and the Terms & Conditions of the cash management platforms at the next meeting.</p>	<p>DCEO F&CS</p>
5.3	<p>Members agreed that the following items could be closed:</p> <p>6.5 – <i>The DCEO F&CS to demonstrate whether the shortfalls within planned income were recoverable in-year in the Data Dashboard commentary</i> – Now included on the data dashboard.</p> <p>7.6 – <i>The DCEO F&CS to add overspend reasoning to the allocated column in Appendix D – Internal Capital Spend</i> – Now included in the Management Accounts.</p> <p>8.5 – <i>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</i> – The presentation of figures would be amended for the Q2 report.</p> <p>9.2 – <i>Management Accounts (October 2025) - The DCEO F&CS to add timing information to the income and expenditure lines of the management accounts</i> – Now included in the Management Accounts.</p> <p>10.8 – <i>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</i> – To be presented in the meeting.</p> <p>13.4 – <i>The DCEO F&CS to add justification commentary to the SSJs report</i> – To be presented in the Procurement report.</p> <p>13.6 – <i>The DCEO F&CS to ensure that the SSJ reporting also included transparency notices for all directly awarded contracts</i> – To be presented in the Procurement report.</p> <p>10.2 – <i>The VPF&CS to explore the interest rates being offered by other banks</i> – Superseded and covered by item 4.3 above.</p>	
5.6	<p>Members agreed that the following items remain on the report until complete:</p> <p>14.2 – <i>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</i> – Wording would be amended to include the need to ‘uphold the principles in line with the Modern Slavery Act’. The revised Statement would be presented to the Committee in July.</p>	

	<p>17.7- The VPF&CS to provide an update on Inprint & Design at the next F&GP meeting. The Chair had previously requested the DCEO F&CS confirmed the settlement date. The DCEO F&CS advised that the final invoice was still awaited.</p>	
6.	<p><u>DCEO F&CS Report</u></p>	
6.1	<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:</p> <p>6. F&GP Data Dashboard – Draft Q2 financial position included, with all financial metrics being met and ‘Good Financial’ health. EBITDA was lower than budget but still above the FE Commissioner’s benchmark of 6%.</p> <p>9. Student recruitment update – noting the position on applications for 16 – 18 study programmes.</p> <p>10. Budget Planning & Financial Objectives – noting the aim to continue with the financial objectives as per the approved three-year financial plan, though announcement of 16-18 fund rate increase for 2026/27 was only 0.55% (£26 per student), whilst other elements of funding allocations were still being awaited.</p> <p>12. People Plan update – noting the reduction in pay gaps and the volume of ER cases to date.</p> <p>13. Estates Plan – noting the disposal of the Appleton building, the recent offer of £1.2m on the Little Germany site and the risk around the heat network costs due to the conflict with Iran.</p> <p>14. Capital Plan update – noting the progress on the Junction Mills site.</p>	
6.2	<p>AOB - Following the demand for construction provision (4 applications for each place) a number of options were explored with how best to meet the demand within the Estate. This additional provision also aligned with the Local Skills Improvement Plan as well as West Yorkshire Combined Authorities’, DWP’s, DfE’s and the government’s Industrial Strategy.</p>	
6.3	<p>The DCEO F&CS advised that the recommended option was to continue to lease the Bowling Back Lane site and refurbish it. The College had worked with LocatED, which assisted providers in locating spaces to deliver provision, to identify a suitable site, however, the DCEO F&CS advised that available sites were limited and all other options were cost prohibitive. In terms of cost, a draft budget had been set at £1.2m (inclusive of 10% College held contingency) to be funded from College’s forecasted annual £2.5m capital budget. The College was also awaiting upon the estates condition funding</p>	

	allocation, which was £1.9m in May 2025. It was expected to be of a similar amount for 2026.	
6.4	<p>Q. What is the current status of our ability to sign an extension on the lease for the site?</p> <p>A. We should be in the position within the next month or so to sign the lease extension for a period of 3-5 years.</p>	
6.5	Members requested a draft budget for the proposed refurbishment costs for the Bowling Back Lane site, as well as a suggested timeline for the project, prior to approval. Also, information on the potential risks that could arise should government priorities change; specifically, how this might affect funding lines, the expenditure already committed and whether the building could be repurposed for an alternative use should priorities shift.	
6.6	ACTION: The DCEO F&CS to circulate a draft refurbishment budget, projected timeline and associated risk information for the Bowling Back Lane site.	DCEO F&CS
Strategic Plan Implementation		
7.	<u>F&GP Data Dashboard</u>	
7.1	<p>The VPF&CS presented the F&GP Data Dashboard which reflected the draft Q2 forecast and highlighted the following items:</p> <ul style="list-style-type: none"> • All high-level key financial metrics were being met. • The income target would not be met, however this excluded anticipated growth funding and income remained above the prior year. • 14-16 recruitment numbers – to be picked up at item 10. • Staff turnover was slightly higher than expected at 7.7%, though still below the <15% annual target and lower than the same point last year. 	
7.2	<p>Q. Why is staff turnover RAG-rated red when the target is <15%?</p> <p>A. Because the figure is tracking above 15% when annualised. Historically, turnover has been presented this way but the aim is to move to a rolling 12-month annualised measure going forwards.</p>	
7.3	ACTION: The DCEO F&CS to work with HR to provide an annualised staff turnover figure going forward.	DCEO F&CS
7.4	<p>Q. Is there a reason why there is no indication of whether the lower-than-targeted SEND income is recoverable in-year?</p> <p>A. This is due to the structure of the DfE funding allocation, which includes a fixed element and a forecast element that varies according</p>	

7.5	<p>to the needs and associated costs of the students enrolled. As these needs fluctuate, the funding position moves accordingly. While improvement is possible, it is considered highly unlikely.</p> <p>ACTION: The DCEO F&CS to add commentary on whether the lower-than-targeted SEND income is recoverable in-year to the Data Dashboard.</p>	DCEO F&CS
8.	<p><u>Stakeholder Engagement Update</u></p>	
8.1	<p>The VPR&C presented the Stakeholder Engagement Report advising that it provided an outline of stakeholder engagement activity completed during Q2. This was not exhaustive, but included the top line strategic engagements. There were also wider employer engagement activities ongoing which all had a positive impact on the College’s reputation. The report included a current overview on Partnerships, Policy, Funding and Reputation.</p>	
8.2	<p>Q. Is there any specific stakeholder engagement taking place within HE?</p> <p>A. The market is shifting, with previously noted declines in income and student numbers, and increased student recruitment challenges across the sector. Our focus is on tailoring provision to the needs of our local community, with activity scrutinised through the Q&S Committee. Following a pause on launching new products, planning for release dates has resumed through business planning sessions. Partnership building and stakeholder engagement within HE is key.</p>	
8.3	<p>Members noted that the report captured the wide range of stakeholder engagement activities really well.</p>	
Finance 2025-26		
9.	<p><u>Management Accounts (January 2026)</u></p>	
9.1	<p>Members considered the period 6 management accounts to January 2026.</p> <ul style="list-style-type: none"> • The DCEO F&CS stated that while income was down, the College’s financial performance was in line and within the financial ratios required. • The forecast Financial Health at year end remained ‘Good’, though it was expected that the potential DfE clawback would result in a covenant breach. The Bank had been made aware and once the position had been clarified, any necessary waivers would be secured. • As of the current reporting period, operating Income was £0.92m adverse to budget. This shortfall was primarily due to lower-than-expected income from HE Fees and Apprenticeships, driven by 	

<p>9.2</p> <p>9.3</p>	<p>student recruitment numbers falling short of budgeted targets over the past six months. AEB would be delivered out to contract, but was showing as lower-than-expected due to a time difference with the half-year enrolments.</p> <ul style="list-style-type: none"> • Staff costs were £0.27m favourable to budget for the year, though vacancy factor expectations were not being met against the Q1 forecast due to use of agency staff for long term sickness and vacant roles. • Non-pay costs were £1.07m favourable to budget for the year to date across a number of areas, due to a reduction in subscriptions and occupancy costs. <p>Q. Have we not been quick enough to adjust our cost base in response to the lower number of students coming in?</p> <p>A. Our approach is to avoid in-year restructuring within student-facing departments, as this can negatively affect learners and the overall student experience. Staffing levels will be reviewed at the end of the academic year, and the second round of business planning will help inform any future adjustments.</p> <p>Q. Can you give more detail on the overspend on the facilities management contract?</p> <p>A. All tenders came in significantly higher than the budget set. Although we negotiated costs down, prices remained well above anticipated levels. The increase was driven in part by rising labour costs, including the impact of minimum wage uplifts. The contract was competitively tendered, with three bids received and the lowest-cost option was selected.</p>	
<p>10.</p> <p>10.1</p> <p>10.2</p>	<p><u>Student Recruitment Update</u></p> <p>The VPR&C advised that the report focused primarily on projections for the next academic year, with a brief overview of in-year performance against target. It was currently too early to map adult applications for 2026-27 against the previous year, as indicative numbers were not typically available until the peak recruitment period between April and October. The VPR&C advised that future recruitment updates would provide separate commentary on Free Courses for Jobs, Advanced Learner Loans, Tailored Learning and the Adult Skills Fund, aligned with the terminology used in the management accounts.</p> <p>Q. Can contribution figures be provided for other strands as they have been for the Apprenticeships and Employer Responsive strand?</p> <p>A. We don't cut it by sector and income line but by department. The Apprenticeships and Employer Responsive strand is an exception because its administration, regulation and compliance activity sits</p>	

10.3	<p>largely within a single department. For other strands, administration is spread across multiple budgets, so the information cannot be presented in the same way.</p> <p>Q. Is there any particular reason for being significantly down on target in Health (Adult Nursing) and Management and Administration T-Levels?</p> <p>A. The introduction of the new Legal Services T-Level has attracted learners who might previously have chosen Management & Administration, resulting in some movement between those areas. Viable numbers for Management & Administration are still expected, as historically, late applications have been received in this area. Interest in the legal pathway is strong and reflects clear learner demand. In Health, placement availability continues to present challenges, but targets remain achievable. Additional guidance has been provided earlier in the cycle to ensure students are supported into the most appropriate qualification, including alternative or lower-level routes where GCSE requirements are unlikely to be met. This has helped align applications with realistic progression pathways and placement capacity.</p>	
10.4	<p>Q. What is the reason for ophthalmic dispensing having missed its growth target this year?</p> <p>A. Recent regulatory changes, including new requirements from the General Optical Council affecting progression routes, have created uncertainty in the ophthalmic dispensing market. In addition, there has been a temporary pause in referrals from our optician partner. Work is underway ensure the budget and planned numbers for next year are set appropriately and an additional optician chain has been engaged to broaden employer partnerships. The shortfall is considered a temporary impact of regulatory change and further opportunities are emerging, including planned development of audiology provision over the next two years.</p>	
10.5	<p>Q. Is it anticipated that students not achieving the GCSE grades required for T-Levels will affect long-term recruitment to these programmes?</p> <p>A. This is a challenge, particularly given the current national funding uncertainty and limited alternative pathways. The curriculum team is working on curriculum planning to ensure students can be guided onto the most appropriate study programme, including contingency routes where needed.</p>	

11.	<p><u>Budget Planning and Financial Objectives</u></p>	
11.1	<p>The DCEO F&CS advised that the College was currently moving through its' business planning cycle as per the Master Targets file. Round two had commenced and the resultant plan would be presented to F&GP Committee in July for consideration and subsequent approval at the July Corporation meeting.</p> <p>The current position on the College financial objectives was to keep them in line with plan presented in July 2025. The current DfE financial health measures were as follows:</p> <ul style="list-style-type: none"> • PERFORMANCE: EBITDA as a % of adjusted Income > or = 7% (FEC Benchmark 6%, equates to Good Financial Health) • Adjusted Staff costs as a % of adjusted Income < 69% (FEC Benchmark <65%) • BORROWING: Borrowing as a % of Income < 20% (there was no longer a related FEC Benchmark) • SOLVENCY: Adjusted current ratio > 1.3 (FEC Benchmark > 1.4, >1.2 provides Good Financial Health) • Bank Covenant Compliance – 100% (or waiver in place) • Financial Health of Good (FEC Benchmark - Good or Outstanding) <p>The DCEO F&CS advised that whilst the funding rates for 2026/27 had been confirmed (0.55% increase), the confirmation of the continuation of the NI and TPS (Teacher Pension fund) funding was yet to be announced. It was therefore proposed that the measures used to monitor financial sustainability remained as they were until the outcome was known, after which, the financial objectives would be reviewed.</p>	
11.2	<p>Q. Why are we so far from the benchmark on staffing costs?</p> <p>A. Historically we have tracked above the FEC benchmark. Agency costs are excluded in the benchmark, whereas ours are included. Pay levels in Bradford tend to be higher and recent funding rate increases have been fully passed on to staff. The sector average typically sits around 67-68%, although the General Further Education benchmarking data for this year has not yet been released and is expected in May-June.</p>	
11.3	<p>Q. Is 7% EBIDTA achievable?</p> <p>A. This remains our target, as maintaining this level is important for meeting future capital requirements. If EBITDA falls below 7%, it will begin to limit what we can invest in capital projects. We will therefore continue to use this as the budgetary aim. A further funding announcement is expected, and there is still uncertainty around NI and Teachers' Pension Scheme costs, so this will be monitored closely.</p>	

<p>12.</p> <p>12.1</p> <p>12.2</p>	<p><u>Procurement Report</u></p> <p>Following the reclassification of the FE sector and the financial regulations, it had been agreed that governors should be provided with greater visibility of some aspects of procurement which would support assurance around the College’s management of public money.</p> <p>Therefore, two appendices had been provided; one on single source justifications (SSJs) approved during the academic year and one which contained information on Purchase orders (POs) raised that were greater than £150k.</p> <p>For the financial year 2025-26 to date, there had been 63 SSJs and 8 purchase orders over £150k.</p> <p>Members noted that the report provided strong transparency, whilst acknowledging that the impact of the changes would take time to feed through. Members reiterated the need to challenge SSJs that were submitted without sufficient justification. The DCEO F&CS advised that appropriate push-back already took place, with requests reviewed by the Procurement Manager to ensure the financial rationale is sound and that public funds are being used appropriately.</p> <p>It was requested that the following be added to future reports:</p> <ul style="list-style-type: none"> • year-on-year SSJ comparisons • commentary on any imbalances and compliance issues • a summary of emerging themes • case studies illustrating where SSJs had been challenged <p>ACTION: The DCEO F&CS to include the requested comparative and qualitative information in future Procurement Reports.</p>	<p>DCEO F&CS</p>
Resources		
<p>13.</p> <p>13.1</p>	<p><u>People Strategy Update</u></p> <p>The DCEO F&CS provided an overview on the People Strategy Update, highlighting:</p> <p>Staff Turnover Staff turnover for the YTD was 7.7%, which was lower than at the same point last year (8.9%). 87% (target 90%) of the 80 vacancies were filled within the targeted 64 days of the business case being signed off. This was due to 7 of the roles being classed as ‘hard to fill’</p> <p>Employee Relations (ER) Cases</p>	

	<p>Employee relations cases had increased versus the same point last year. The DCEO F&CS advised that action was taking place to understand and address what was driving this.</p> <p>Employment Law Changes The progress of the employment laws changes continued to be monitored to assess the impact upon the College and any changes that might be required.</p> <p>Sickness Absence Staff absence was at 5% for Q2, which was slightly higher than the College target (4%), however at the same point as the same point last year.</p> <p>Tribunal Claims and Special Payments The DCEO F&CS advised that the College was looking into the issues identified with the implementation of reasonable adjustments which had led to some of the claims.</p> <p>Pay Gaps There has been a reduction in the pay gaps: A reduction in the average gender pay gap by 0.9%. (2025: 2.1%, 2024: 3%) A reduction in the average ethnicity pay gap by 1.7% (2025: 8.1%, 2024: 9.8%).</p> <p>13.2 The CEO praised the reduction in both gender and ethnicity pay gaps and acknowledged that whilst progress was being made, these were long-term goals. Members requested that both a reduction in the average gender and ethnicity pay gaps be added to the data dashboard for 2026-27. Members agreed to add metrics to the data dashboard, so that oversight was maintained on key strategic issues relating to HR. The Chair encouraged members to contact the GD with suggestions of additions.</p> <p>13.3 ACTION: Members to consider additional metrics that benefit from being added to the data dashboard for 2026-27 and contact the GD with any suggestions.</p>	
<p>14.</p> <p>14.1</p>	<p><u>Estates Plan Update</u></p> <p>The DCEO F&CS provided an update on the Estates Plan:</p> <ul style="list-style-type: none"> • Fire remedial work had been completed to DHB building including fire doors and fire compartmentation. Future works were being planned for ATC and Trinity Green rectifications with funding of £0.5m within the proposed capital budget for 2026/27. 	<p>F&GP CTTE</p>

	<ul style="list-style-type: none"> • The sale of Appleton Building was completed on the 9 March 2026, with the net proceeds of sale (£0.3m) being used to pay down the variable rate loan with Lloyds. • The use of the CTS building in Little Germany remained under review was also on the market for sale, with a recent offer of £1.2m having been received, proof of funds had been requested. • An initial agreement of a three-year extension (with an option of a further two) to Bowling Back Lane facilities (current location of Motor Vehicle provision) had been given to support construction growth. The contract was expected to be signed in the coming months. • The Hard Facilities management tender continued, with final Tender submissions due on 20 March 2026. 5 companies were submitting submissions, with 3 being taken forward to a presentation stage on 14 April. The contract was expected to be awarded during week commencing 4 May and the new FM contract would be due to start in August 2026. • Heat Network update – 1 Energy was yet to secure energy procurement, therefore the gas price increase following the unrest in the Middle East was likely to increase costs for all customers on the Network. Joint discussions were ongoing, with pressure being applied to 1Energy to provide their plan to address this. Internal plant room works were yet to progress but were expected over the Easter break. • The College were engaging with Unipol on the handover of the Doris Birdsall site. A smooth handover was anticipated on July 31, whilst discussions for future use continued. The DCEO F&CS advised that this would feature in the capital and estates plan discussions at SLT level and resulting proposals would be submitted to the F&GP Committee. 	
<p>15.</p> <p>15.1</p> <p>15.2</p>	<p><u>Capital Projects Update</u></p> <p>The College currently had the following Estates Capital projects in train, which were:</p> <p>Junction Mills – Works were progressing well on site, and remained on programme for the building to complete in May, despite some issues that the build had recently experienced due to prolonged rain. The DfE deadline had been met for the second funding pot (allocation) and the College was on track to meet all subsequent funding deadlines. The costs for the construction work on the car park had come in significantly higher than expected due to the requirements from Bradford Council and Yorkshire Water around drainage. Additionally, Bradford Council were insisting upon additional improvements works beyond the red line boundary of the</p>	

	project, which would incur costs. These works were being evaluated and scrutinised.	
15.3	Salix (Heat District Network) –Internal works (secondary side works) to both DHB and ATC were now fully complete. Confirmation had been received for the contract cap on any works post 31 March, or any works above the agreed sum. The focus was now shifting to look at heat-on planning with the wider network partners.	
15.4	Members praised the relocation of Arts programme to the DHB, which had been an overwhelming success. The DCEO Q&C advised that the student response to the move had been incredibly positive and that applications had increased by 80% for that curriculum area. Members were advised that they would be invited to the end of year show which would be taking place in the DHB.	
16.	CSIG Update	
16.1	The following reports were presented for information: 16a. CSIG minutes 24.11.25 & 26.1.26 16b. Morgan Sindall Student Social Value slide	
Policies and Statements		
17.	None	
Governance and Risk		
18.	Strategic Risk Monitoring	
18.1	The Committee reviewed the strategic risks for which it has oversight: SR1 – commentary had been added on the funding announcement of a 0.55% funding rate rise for 2026/27, but no changes to the risk rating. SR3 – commentary had been added on the proposed retention of the Bowling Back Lane site. SR8 – risk rating had increased due to the potential changes to areas of funding. SR12 – risk rating had increased due to the recent funding announcement of a 0.55% funding rate rise for 2026/27.	
19.	Items for report to the Corporation	
19.1	<ul style="list-style-type: none"> Minutes of meeting –22 January 2026 & 19 March 2026 – Including CSIG minutes 	
Any Other Business		

20.	Any other business	
20.1	There was no other business.	
20.2	The Chair closed the meeting at 18:00.	
21.	Meeting Evaluation	
21.1	ACTION: To be circulated by the Deputy Governance Director.	DGD

Approved by the Committee:

.....**B. Barrett**.....

.....**07.05.26**.....

Signed by the Chair

Date

Agreed actions

No	Minute	Action	Who?
1.	5.2	The DCEO F&CS to provide the updated Treasury Management Policy and the Terms & Conditions of the cash management platforms at the next meeting.	DCEO F&CS
2.	6.6	The DCEO F&CS to circulate a draft refurbishment budget, projected timeline and associated risk information for the Bowling Back Lane site.	DCEO F&CS
3.	7.3	The DCEO F&CS to work with HR to provide an annualised staff turnover figure going forward.	DCEO F&CS
4.	7.5	The DCEO F&CS to add commentary on whether the lower-than-targeted SEND income is recoverable in-year to the Data Dashboard.	DCEO F&CS
5.	12.2	The DCEO F&CS to include the requested comparative and qualitative information in future Procurement Reports.	DCEO F&CS
6.	13.3	Members to consider additional metrics that benefit from being added to the data dashboard for 2026-27 and contact the GD with any suggestions.	F&GP CTTE
7.	21.1	Meeting Evaluation to be circulated by the DGD	DGD