

LEEDS COLLEGE OF BUILDING

FINANCE & RESOURCES COMMITTEE

Minutes of the meeting held on Monday 23 February 2026 at 2.30pm, North Street, Meeting Room 1 / Microsoft Teams.

PRESENT:

Rachel Lindley (RL)	Chair & External Governor
Nikki Davis (ND)	Principal & CEO
Ruth Manning (RM)	Associate Governor
Michael Norton (MN)	Staff Governor
Sarah Wilson (SW)	External Governor (<i>attended via Microsoft Teams</i>)

ATTENDANCE: 5 / 8 = 63% (KPI 80%) Cumulative attendance: 10 / 16 = 63%

IN ATTENDANCE:

Chris Duncan (CD)	Vice Principal – Finance & Resources
Sara Mitchell (SM)	Management Accountant
Jane Taylor-Holmes (JTH)	Director of Governance (<i>attended via Microsoft Teams</i>)
Nancy Fearnside (NF)	PA to Strategic Leadership Team (Minutes)

Min. Ref.	Minutes	Actions
	FR/26/101 – Apologies for Absence	
1.	Apologies for absence were received from Steve Carmody (External Governor), Peter Norris (External Governor) and Matthew Shields ((External Governor).	
2.	JTH formally welcomed CD to his first full meeting.	
	FR/26/102 – Determination of Observers / Attendees	
3.	Members agreed attendees / observers at the meeting as per the attendance list above.	
	FR/26/103 – Declaration of Interests	
4.	There were no declarations of interest.	
	FR/26/104 – Minutes of the previous meetings	
5.	Resolved: The minutes of the previous meeting and the Joint Audit & Risk and Finance & Resources meeting held on 8 December 2025 were accepted as a true record.	
	FR/26/105 – Matters Arising	
6.	Members noted the updates recorded against the matters arising.	
7.	Item FR/25/141 (217) – JTH explained that the proposed AI training session for Governors was still being considered as part of the Governor training schedule. An update would be provided to the next meeting.	JTH April 2026
8.	RL raised a question regarding sustainability and noted that sustainability matters were within the remit of the Finance & Resources Committee. It was noted that the possibility of Governor engagement in the Sustainability Committee had been discussed by the Search & Governance Committee.	

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9.	This would be discussed further following the appointment of new Governors who were recommended by the Search & Governance Committee for appointment to the Board in March. One of the proposed Governors had a strong background in sustainable housing development and would be suitable for the Sustainability Link Governor role, which would then feed into the Finance & Resources Committee and support the sustainability link overall.	
10.	RL questioned whether sustainability should be removed from the Health & Safety report and whether this should be a separate agenda item, this was agreed.	JTH/CD April 2026
11.	CD commented that he had met with Chris Tunningley (CT) who was leading on sustainability and had a good discussion regarding the Sustainability Committee and the role and reporting requirements of the Committee. CD referred to the recent training session on sustainability which had been delivered to Governors. It was agreed that further arrangements would be considered regarding reporting to Governors on sustainability.	JTH/CD April 2026
12.	RM commented that she unfortunately had missed that training session and asked if this had been recorded. JTH explained that the session was recorded but due to the size of the file it was difficult to upload this to the Governor Hub. JTH and MN would look into this, potentially saving it through OneDrive so Governors could access this.	JTH/MN Feb. 2026
13.	All other actions were complete.	
FR/26/106 – Financial Performance Report – Management Accounts (January 2026)		
14.	SM presented the Management Accounts for January 2026 and provided a brief overview.	
15.	SM explained that pleasingly, Apprenticeship income was expected to be ahead of budget; strong completion numbers were being reported and this was reflected in the income performance.	
16.	SM commented that in terms of expenditure there were several areas that were continuing to be monitored closely.	
17.	SM commented that bursary expenditure was ahead of budget and was being closely monitored. Initial analysis suggested that the bursary application and approval process which had commenced earlier this year was a contributing factor. There were several sizeable credits in relation to MetroCard expenditure but this figure was forecast to reduce once these were processed.	
18.	SM commented that moving forward changes to the forecast outturn would be highlighted and actioned in the Statement of Comprehensive Income and Expenditure in a more structured way, the changes would be clearly flagged and built into the forecast. Committee members supported this approach.	
19.	RL thanked SM for her clear report.	
20.	Resolved: Committee members received the Management Accounts for January 2026.	

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	<p>FR/26/107 – Tuition Fees 2026/27</p> <p>21. CD presented Item FR/26/107 (Tuition Fees 2026-27) and provided a brief overview. CD explained that last year, tuition fees had increased by 5.5%; the proposal recommended by SLT was to increase these by 3.6% for the academic year 2026/27 in line with inflation. CD emphasised that the fees represented a small proportion of overall income (around 1.8%) and applied mainly to learners not funded by the Government, such as adults who self-fund or who were funded by external organisations. CD explained that (where a fee applied) Apprenticeships would be charged at 5% of the maximum of the funding band.</p> <p>22. RM asked if Higher Education fees were also increasing. ND commented that most HE provision sat within funding bands that the College could not control and the College generally stayed below the maximum fee cap due to the relatively small scale of HE provision and the increased regulatory burden associated with exceeding the fee cap set by the Office for Students. CD explained that a review of HE pricing had been conducted last year and as a result some HE fees were realigned and approved through the Board to ensure they were still within a competitive and reasonable range.</p> <p>23. ND acknowledged that HE was an area that the College would like to grow, although current numbers remained small. RM pointed out that the fee level may be a deciding factor for prospective HE students; this was especially relevant given the negative public perception of university costs.</p> <p>24. Resolved: committee members approved the Tuition Fees for 2026-27.</p>	
	<p>FR/26/108 – HR update</p> <p>25. CD presented the paper which had been prepared by Kathryn Wells (KW), Head of HR and outlined the key activity.</p> <p>26. CD commented that the contract had now been signed for the Applicant Tracking System and this would be implemented as soon as possible and embedded over the next few months. CD explained that the system integrated with the College's existing HR and payroll platform and would significantly improve the candidate experience by enhancing the online application form and ensuring job postings and adverts aligned with the College's refreshed brand.</p> <p>27. RL queried the outcomes from the Aspiring Managers programme. ND explained that the programme last year had been successful and served as a pilot year and the initial cohort was kept deliberately small. Some examples of progression included both internal promotions and external progression, which was still considered a positive outcome.</p> <p>28. ND commented that this year there were 15 participants who were in their third week. The programme also incorporated management projects where participants identified practical workplace improvements. ND commented that some of last year's projects had already had lasting organisational impact.</p> <p>29. ND commented that a session regarding College Finance, which was delivered last year, had been well received and helped staff understand managerial contexts and appreciate organisational constraints (e.g. budgeting realities). A further session would be run by CD and SM shortly.</p> <p>30. ND stated that a formal report summarising outcomes and participants' progress would be prepared in due course.</p>	<p style="text-align: right;">ND April 2026</p>

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31.	ND commented that this programme demonstrated the College's investment in people and the initiatives contributed to positive staff morale, greater organisational involvement and a sense of being valued.	
32.	RL noted that the current HR priorities appeared to be either completed or ongoing and questioned what the next major focus might be.	
33.	CD commented that a key priority would be embedding the Applicant Tracking System. Training for managers and the HR team would be required, together with configuration work. The full rollout was expected to take 3-6 months. ND commented that this system had been funded by CTEC.	
34.	ND commented that a Teacher Industry Exchange Programme was being investigated, which was also linked to CTEC funding. The programme aimed to boost recruitment into teaching roles. ND explained that it was expected to expand this into West Yorkshire, South Yorkshire and York & North Yorkshire. ND commented that details from the Department for Education were currently unclear, but meetings were underway with Strategic Authorities. ND explained that this may have HR implications, particularly around recruitment and workforce support.	
35.	CD referred to details of the Wellbeing Week activities within the paper. JTH commented that this had been circulated to all Governors with an open invite to all activities, including Meeting Alpacas and Therapy Dog sessions.	
36.	Resolved – Committee members received the HR Update.	
	<p data-bbox="197 1111 916 1144">FR/26/109 – Estates / Health, Safety & Environment</p> <p data-bbox="197 1178 464 1211">a) Estates Update</p> <p data-bbox="86 1211 1257 1346">37. CD presented the paper which had been prepared by Mark Hudson, Head of Estates, which provided an update on various capital projects. CD commented that the various funding pots were being closely monitored to ensure these were fully utilised before the deadlines.</p> <p data-bbox="86 1379 1007 1413">38. Resolved: Committee members received the Estates update.</p> <p data-bbox="197 1447 767 1480">b) Health, Safety & Environment update</p> <p data-bbox="86 1480 1257 1547">39. CD presented the paper which had been prepared by Aimee Beckwith (AB) (Health & Safety Advisor), which provided an update on Health & Safety activities.</p> <p data-bbox="86 1581 1257 1749">40. RL commented on the significant levels of evidence and data being gathered and questioned whether improvements were being seen from the outcomes of the ISO:45001 audit etc. RL questioned whether a dashboard would be useful to enable data to be reviewed and monitored more effectively. It was agreed that this would be considered.</p> <p data-bbox="86 1783 1257 1984">41. CD commented that there was scope for a dashboard. The initial key priority in this area had been to undertake the work, engaging staff to take part, understand what it meant and encouraging them to do it. CD explained that the next step was to evaluate all the data. CD commented that Health & Safety needed to be embedded more consistently across the whole College and emphasised that this was an overarching part of everything the College did.</p>	<p data-bbox="1406 1682 1517 1727" style="text-align: right;">CD April 2026</p>

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42.	Resolved: Committee members received the Health & Safety update.	
	<p data-bbox="199 232 1150 266">FR/26/110 – IT Update including Cyber Security and Data Protection</p> <p data-bbox="199 300 1241 369">43. MN provided a presentation on Cyber Security and Data Protection and gave an overview. MN explained the aim of presentation was:</p> <ul data-bbox="199 369 1241 539" style="list-style-type: none"> <li data-bbox="199 369 1241 439">• To summarise the College’s current position and highlight what had strengthened since September. <li data-bbox="199 439 1241 508">• To reinforce that cyber risk remained one of the top operational risks for the sector and for the College. <li data-bbox="199 508 1241 539">• To provide assurance to Governors on progress to date. <p data-bbox="199 573 1241 707">44. MN commented that the cyber threat level facing UK education continued to rise sharply. Since September, the College had taken steps to harden its security posture while maintaining rapid incident response. MN commented that 97% of institutions were experiencing active threats.</p> <p data-bbox="199 741 1241 911">45. MN commented that the College had introduced more frequent phishing tests; the average phishing click-rate was 9% which was significantly down on previous months, showing a strong improvement. MN explained that there had recently been two genuine phishing attacks which were clicked by staff, but these were detected and remediated by the IT team within 10 minutes.</p> <p data-bbox="199 945 1241 1290">46. MN outlined the key threats to the College and provided an overview of each:</p> <ul data-bbox="199 978 1241 1290" style="list-style-type: none"> <li data-bbox="199 978 1241 1048">• Phishing & Social Engineering; this continued to be the biggest threat across education. <li data-bbox="199 1048 1241 1079">• Exponential Growth. <li data-bbox="199 1079 1241 1149">• Zero-Day Exploits; these were flaws that became publicly known before any manufacturer fix existed. <li data-bbox="199 1149 1241 1218">• Ransomware & Insider Risk; this remained a high risk across the sector, especially where personal device use was permitted. <li data-bbox="199 1218 1241 1290">• Configuration Errors; this was a top cause of compromise, however Tenable scanning was helping the College identify and fix these early. <p data-bbox="199 1323 1241 1494">47. MN commented that ageing infrastructure remained a key risk for the College. A major procurement exercise was completed before Christmas, with £90k of new switches obtained to replace all old switches within the next couple of months. MN explained that a structured five-year replacement programme was in place to ensure no major legacy equipment remained unaddressed.</p> <p data-bbox="199 1527 1241 1727">48. MN commented that Smishing was SMS-based and attackers could spoof telephone numbers and intercept SMS MFA codes. MN explained that SMS MFA was being retired and all staff were moving to app-based authentication. Conditional access now enforced device compliance and risk-based login rules. MN commented that passwordless authentication had been deployed for all IT admin accounts, ensuring the highest risk users were fully protected.</p> <p data-bbox="199 1760 1241 1861">49. MN explained that access for personal devices had now been blocked and staff had to use College-issued devices. Personal mobile phone use remained permitted but could not be used to access sensitive systems.</p> <p data-bbox="199 1895 1241 1995">50. MN commented that plans were in place to implement Zero-trust segmentation, which would create separate networks for staff, students and guests; this would limit lateral movement if an account / device was compromised.</p>	

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51.	MN commented that Endpoint, Vulnerability & Monitoring was now in place; local admin rights had been revoked, weekly scanning by Tenable was carried out to identify any misconfigurations and vulnerabilities. MN explained that the next major uplift was the migration to Sentinel SIEM for enhanced monitoring.	
52.	MN explained that mandatory annual cyber-security training was in place. Monthly phishing training had been introduced which involved 5-minute interactive exercises; early feedback from staff had been positive.	
53.	MN commented that the GDPR Policy had been strengthened to improve supply-chain oversight and accountability. Immutable backups were under evaluation; this ensured backups could not be modified.	
54.	MN commented that the College had passed Cyber Essentials in December 2025; this entailed a full external validation of the College controls and provided assurance that the College was operating securely.	
55.	MN commented that the Acceptable Use Policy had been updated and strengthened and had been approved by SLT; this had been rolled out to all staff who were required to sign and acknowledge they had read and understood the Policy. MN explained that a reminder had been issued that this needed to be completed by the end of the week.	
56.	MN commented that Disaster Recovery (DR) plans had been tested within IT and a business continuity test had been carried out with the College's insurers.	
57.	MN commented that Phase 1 (major hardening measures deployed across identify, endpoints and authentication) had been completed. Phase 2 (migration to Microsoft Sentinel) was ongoing. Phase 3 (Zero-Trust network segmentation, Immutable backup solutions, full organisational DR rehearsals) was in the planning stage.	
58.	RM requested a copy of the slides. MN commented that he would send these to NF to upload on the Governor Hub.	MN Feb. 2026
59.	RM asked if anything specific or additional was provided for Finance teams in terms of cyber-security, given the higher risks associated with payment systems and financial data. MN explained that Finance staff were treated as high-risk accounts, alongside HR and SLT; they received enhanced account security with mandatory 16-character passwords required. CD explained that the Finance team did follow strict processes for payment security. The main payment system included automated fraud-protection checks, such as warnings for first-time use, double-checks on direct payments and verification of account names and matched details. There was strict adherence to segregation of duties to ensure no single person could carry out end-to-end changes or payments in isolation.	
60.	CD commented that Finance staff did receive regular training on fraud prevention through external partners, e.g. banks and auditors.	
61.	SW commented that her employer had allowed staff members to use their work-issued mobile phones for personal purposes; this had now been revoked due to concerns regarding cyber security. SW questioned whether the College engaged with other education institutions to share intelligence about cyber threats.	

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62.	MN commented that all issued work mobile phones were for business use only; the College had full control over the functionality of the phone and could remotely wipe the device if necessary. MN explained that he was a member of the JISC Yorkshire Heads of IT Group and the JISC Cyber Threats Group; these groups brought FE colleges together to discuss such issues on a regular basis. There was also a continuous online group chat to provide any support or share best practice.	
63.	RL raised the question of the mandatory training and asked how this was being received by staff and whether any data was available. MN explained that this was a very new initiative; further information would be included in his IT update at the next meeting. MN commented that any issues regarding the uptake of training had been reported to the College Leadership Team and was usually resolved within 48 hours.	MN June 2026
64.	RL raised the question of the Acceptable Use Policy. MN commented that the document now included the Social Media Policy, the Phishing Testing Policy and the Bring Your Own Device Policy. It was a lengthy document for staff to read; he had sent a reminder out emphasising the deadline and would follow up as necessary.	
65.	RL asked if the College was not restricted in terms of budget, whether there was there anything else that MN would want to put in place. MN commented that a key item would be an additional internal firewall layer between the internal servers. CD commented that he was very aware of the potential for a cyber-attack to cause huge disruption and he was conscious of the importance of having the right controls in place.	
66.	RL thanked MN for his very informative presentation.	
67.	Resolved: Committee members received the Cyber-Security and Data Protection presentation.	
FR/26/111 – Capital project – White House update		
68.	CD provided an update on the White House project and acknowledged that due to timing uncertainties and incomplete external funding confirmation, the position remained changeable and fluid.	
69.	CD explained that the purpose of the paper was to consolidate current known figures, highlight uncertainties or constraints and provide the Committee with a baseline for future scenario modelling.	
70.	The paper outlined the total capital requirement and the funds received or committed so far, together with potential funding streams.	
71.	CD commented that the project would be progressed to RIBA Stage 3, after which a key decision would be required regarding the project based on financial clarity and the wider economic environment.	
72.	SW expressed her enthusiasm regarding the project but commented that the design must be practical and buildable. SW asked what the timescale was for securing planning approval and completing the initial design work.	

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73.	CD stated that planning was being progressed and the Architects were already engaging with the planners at Leeds City Council, it was hoped that planning approval would be in place by September 2026. CD commented that in terms of design, this process was quite advanced, with various meetings taking place with curriculum teams etc.	
74.	SW raised the question of obtaining funding through a bank or institution. CD stated that this was no longer permitted following the move to the public sector. It was noted that there may be some possibility for discussions with the Department for Education, however this was not clear as yet.	
75.	ND commented that accessing external funding was very frustrating. Various routes were being used to promote the project. ND commented that the Mayor of West Yorkshire would be visiting the College in March to look at the White House project.	
76.	ND commented that once planning had been approved the College should know what external funding was available and what would still be required.	
77.	JTH commented that the potential to establish a working group to support the project had been discussed and this would be considered further prior to the next meeting.	
78.	Committee members acknowledged the update and agreed that understanding the level of uncertainty was essential at this stage.	
79.	Resolved: Committee members received the Capital project – White House update.	
	FR/26/112 – Consideration of risks relating to the Committee	
80.	CD presented Agenda Item FR/26/112. CD commented that the risks relating to Finance had been extracted from the full redesigned list of risks. Two new risks had been added which were related to the White House and Fraud.	
81.	CD explained that the presentation of the risks had been changed; these now showed the inherent risk and the mitigated risk. The scoring basis remained the same as previously adopted. CD commented that a risk appetite was included against each risk; which created a slightly more dynamic model where the variability of the risk could be tolerated depending on the risk involved.	
82.	Resolved: Committee members noted the risks relating to the Committee with no amendments or changes recommended.	
	FR/26/113 – Matters to be reported to the Board	
83.	Action for the Board to take None.	
84.	Key Assurance to the Board <u>Financial Position</u> <u>Management Accounts (Jan 2026):</u> Apprenticeship income forecast ahead of budget due to strong completions. Expenditure areas being actively monitored, including bursary spend. More structured forecasting approach welcomed by Committee members.	

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85.	<p><u>Tuition Fees 2026/27</u> Fee increase approved (3.6%), aligned with inflation. Assurance that fees represent only 1.8% of income and that HE fees remain competitive and below OfS caps.</p> <p><u>HR & Workforce</u> Implementation of the new Applicant Tracking System underway and expected to enhance recruitment processes. Aspiring Managers Programme progressing well, including finance literacy sessions, with measurable positive outcomes from previous cohort.</p> <p><u>Estates</u> Capital funding pots for various projects are being closely monitored to ensure full utilisation.</p> <p><u>Health & Safety</u> Strong evidence base collected and substantial audit activity undertaken (including ISO45001). Recognition that H&S is becoming more embedded across the College.</p> <p><u>IT, Cyber Security and Data Protection</u> Comprehensive assurance provided, including: Significant cyber-security enhancements implemented since September. Phishing vulnerability reduced (click-rate 9%). Network infrastructure renewal underway (£90k of switches). Migration to app-based MFA and removal of personal device access for key systems. Local admin rights removed; Tenable scanning weekly; SIEM migration planned. Cyber Essentials certification achieved (Dec 2025). Updated Acceptable Use Policy rolled out.</p> <p><u>Risk Management</u> Redesign of the risk register now shows inherent vs mitigated risk and includes risk appetite indicators. Two new risks added: White House project and Fraud risk.</p> <p>Alerts to Board <u>White House Capital Project</u> External funding remains uncertain, with restrictions due to public sector rules (e.g., inability to borrow commercially). Dependencies include planning approval (expected by Sept 2026) and confirmation of funding sources. High strategic importance but material financial and timing risks remain.</p> <p><u>Cyber Threat Landscape</u> UK education sector continues to face high and rising cyber-attack activity, with 97% of institutions experiencing active threats. Although mitigations are improving, cyber risk remains a high operational risk.</p> <p><u>Bursary Overspend</u> Bursary expenditure ahead of budget; processes being monitored to manage early-year application patterns and transport-related credits.</p>	

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86.	<p>FR/26/114 – Any Other Business</p> <p>No other items of business were raised.</p>	
87.	<p>FR/26/115 – Date of Next Meeting</p> <p>The next meeting was scheduled for Tuesday 28 April 2026 at 3.30pm (North Street).</p>	