LEEDS COLLEGE OF BUILDING

FINANCE & RESOURCES COMMITTEE

Minutes of the meeting held on Tuesday 28 April 2026 at 2.30pm, via Microsoft Teams.

PRESENT:

Rachel Lindley (RL)	Chair & External Governor
Steve Carmody (SCa)	External Governor
Nikki Davis (ND)	Principal & CEO
Ruth Manning (RM)	Associate Governor
Peter Norris (PN)	External Governor
Michael Norton (MN)	Staff Governor
Sarah Wilson (SW)	External Governor

ATTENDANCE: 7 / 8 = 88% (KPI 80%)   Cumulative attendance: 17 / 24 = 71%

IN ATTENDANCE:

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

Min. Ref.	Minutes	Actions
	FR/26/116 – Apologies for Absence	
88.	Apologies for absence were received from Matthew Shields ((External Governor).	
	FR/26/117 – Determination of Observers / Attendees	
89.	Members agreed attendees / observers at the meeting as per the attendance list above.	
	FR/26/118 – Declaration of Interests	
90.	There were no declarations of interest.	
	FR/26/119 – Minutes of the previous meetings	
91.	**Resolved:** The minutes of the previous meeting held on 23 February 2026 were accepted as a true record.	
	FR/26/120 – Matters Arising	
92.	Members noted the updates recorded against the matters arising.	
	FR/26/121 – Financial Performance Report – Management Accounts (March 2026)	
93.	SM presented the Management Accounts for March 2026 and provided a brief overview.	
94.	SM referred to Note 6 – Forecast Outturn and explained that the management accounts for the month reflected a detailed review of the year-end forecast, and as a result a number of changes had been incorporated into the report.	

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95.	SM commented that the forecast income for the year-end had increased by £1.66million and drew members' attention to the graph at the bottom of the page, which showed that the increase was spread across several income streams, including: • Government grants • Education contracts • Release of capital grants • Other income.	
96.	SM commented that there were also changes to forecast expenditure, totalling £1,000,345. SM commented that the graph illustrated some pay-related elements contributing to the change but confirmed that, other than the pay elements already identified, there were no further changes to payroll costs in the year-end forecast. SM explained that the majority of the expenditure changes related to non-pay costs, within expenditure lines that had been previously highlighted to the Committee. SM explained that the net impact of changes to income and expenditure had resulted in an increase to EBITDA of £255,000, bringing the forecast EBITDA position to £3.7 million.	
97.	SM commented that the forecast year-end cash position had increased to just under £7.3 million. SM explained that the increase shown in June related specifically to capital grant income. SM commented that the current cash forecast for 2026/27 was also £7.3 million, although she emphasised that this figure would change as further information became available, particularly regarding the cash impact of the development of the CTEC Building (White House) project.	
98.	CD explained that SM had undertaken a full line-by-line review of the pay element forecast, reviewing each individual line that contributed to the overall pay figure. Following the detailed review, the outcome was that the revised forecast aligned very closely with the figure previously reported. As a result, the overall pay forecast remained unchanged.	
99.	RL commented that this was a fundamental paper to the Committee and commended the clarity of the paper. RL commented that the graphs clearly showed the movements and that the graph, particularly on expenditure, showed how the increases in expenditure were spread. RL queried if there was anything of concern in terms of sticking to budget, or not, or whether CD was comfortable with all those increases.	
100.	CD confirmed that he and SM reviewed the management accounts regularly and were comfortable with them and explained that individual variances and the factors affecting each area were discussed as part of an ongoing review process. CD commented there were no specific concerns regarding the way the figures were distributed across different areas.	
101.	SCa referred to the ongoing volatility in energy markets and the potential financial exposure for the College arising from increased energy costs. SCa acknowledged that the College was now linked to the combined heat and power connection and asked if there was any risk of significant increases. SCa noted that a new energy agreement had been entered into several months previously; however, he was concerned that the current market conditions could impact on energy costs.	

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102.	CD commented that the energy costs were comprised of two elements: the standing charge and the unit cost. Work was underway to reduce standing charges through a review of existing metering arrangements and the supply configuration across buildings. The College was working with a major energy group to regularly review energy costs and confirm value for money. CD acknowledged that, while there is an inherent level of risk associated with unit energy costs, assurance was provided that this risk was being mitigated through focused action to reduce standing charges, including ensuring that appropriate meters and equipment were in place across all buildings.	
103.	RM asked whether there were any indications of significant price changes, noting the current unpredictability of the market, and if this had been taken into account when managing the forecast.	
104.	CD commented that the 2026-27 budget had been discussed earlier with SM and consideration was given to the current draft bottom-line position, which at this stage was looking reasonably positive. CD explained that no specific figure was being shared at this point, as there remained several budget considerations to be reviewed and this would be worked through further as the budget process progressed.	
105.	CD commented that external market factors that were outside the College's direct control were being reviewed with mitigation being reviewed against the risk. Committee members were referred to the asset side, particularly in relation to deposits held in the money market, where interest rates and returns fluctuated regularly. CD acknowledged that predicting future market conditions remained challenging, especially given the wider uncertainty associated with transatlantic affairs. Assurance was given that appropriate mitigations would be incorporated into the budget on a prudent basis, ensuring that risks were sensibly and cautiously managed.	
106.	ND drew the Committee's attention to the table and accompanying graph on Page 6 of the Management Accounts and commented that these provided a helpful visual presentation of the College's cash position.	
107.	The Committee agreed that the inclusion of this information was helpful in building familiarity with how cash flow data should be interpreted.	
108.	CD advised that the budget and three-year financial plan would be presented to the June Committee meeting. CD explained that future updates, including those relating to the CTEC Building project, would enable cash flow to be considered in a more integrated way, rather than in isolation.	
109.	**Resolved:** Committee members received the Management Accounts for March 2026.	
	FR/26/122 – HR update	
110	CD presented Agenda Item FR/26/122 which had been prepared by Kathryn Wells (KW), Head of HR. CD commented that the paper provided a comprehensive overview of current HR activity across the College and highlighted several positive developments.	

Min. Ref.	Minutes	Actions
111.	CD explained that the implementation of the Applicant Tracking System was being progressed, including its integration with IT, payroll and HR systems. The work remained on track and was funded through CTEC. CD commented that it was expected to significantly improve the College's recruitment pipeline and onboarding processes.	
112.	CD advised that the Aspiring Managers Programme continued to receive consistently positive feedback, attendance remained strong, including regular Friday afternoon sessions which reflected a high level of commitment from participants.	
113.	CD referred to the recent Wellbeing Week had commented that this had been very successful, and work was ongoing to ensure that future Wellbeing Weeks could be delivered in a way that provided protected time for staff participation. Additionally, a College Wellbeing Day was held shortly before Easter; Committee members noted that staff took part in a range of individual and group-based activities, including trips and outdoor pursuits, as well as personal wellbeing activities. CD commented that the feedback received, both formally and informally, indicated that staff greatly valued the time and space provided to focus on wellbeing. CD commented that the initiative was beneficial and made a positive contribution to staff morale.	
114.	The Committee considered the Gender Pay Gap data. CD explained that the College did not have a significant gender pay gap in terms of pay for comparable roles, but that the overall figures were influenced by workforce composition. In particular, the College employed a high proportion of male lecturers, which created a 'lumpy' profile that distorted the mean and median figures.	
115.	CD referred to the data table, which showed an overall mean gender pay gap of 11.92%, and a median gender pay gap of 22.5%. CD explained that when reviewed by role and hourly rate, pay levels were described as very similar, reinforcing that the headline figures were largely a reflection of role distribution rather than unequal pay.	
116.	CD commented that the College was continuing to take steps to address the underlying imbalance, including, including promoting family-friendly and flexible working arrangements and positioning the College as an attractive employer, particularly for groups traditionally under-represented in certain roles. It was recognised that the College workforce reflected industry demographics, with staff often entering post-industry careers, meaning that sector imbalances could take 15–20 years to work through.	
117.	CD acknowledged that some influencing factors were outside the College's direct control, but expressed confidence that continued action would, over time, result in a more balanced gender distribution and therefore a narrowing of the gender pay gap.	
118	SW referred to the overall mean gender pay gap figure and noted it had increased slightly when compared to last year (11.92% from 10%). SW asked for clarification on the figures from previous years in order to better understand how the overall position had improved over time. CD referred to the table included in the paper which provided data back to 2022, when the mean figure was 18.25%, and the median figure was 26.63%. It was agreed that the data provided a reduction in the pay gap over recent years.	

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119.	RM acknowledged that the general structure of the College inevitably influenced the overall position. RM highlighted several practical areas that could be explored in addition to flexible working; these included the composition of interview panels and the wording of job descriptions. RM referred to a commonly cited observation that men may be more willing to apply for roles where they met only part of the job specification, whereas women were more likely to apply only if they met most (90%) of the criteria.	
120.	RM referred to the review of job descriptions to ensure they were not unnecessarily discouraging and that they presented roles in a way that supported more inclusive recruitment.	
121.	Committee members acknowledged that, where the gender balance within certain trades was not changing significantly, there may be limited scope for immediate impact on the gender pay gap through recruitment alone.	
122.	ND explained that actions had already been taken by the College to address factors contributing to the Gender Pay Gap, particularly in relation to recruitment practices. These included reviewing job descriptions, removing requests for applicants' current salary, and introducing blind recruitment approaches. Demographic data on applicants was routinely captured and monitored, with further improvements anticipated through the implementation of the Applicant Tracking system.	
123.	ND commented that analysis showed broadly balanced gender data across most staff groups, with the exception of lecturers. ND explained that this was attributed to the College's reliance on recruiting lecturers directly from the construction industry, where longstanding gender imbalance and retention challenges persisted. ND referred to the College success in 'growing our own' staff when students progressed into teaching or other roles, and therefore increasing female participation in construction courses was a key long-term lever. ND also acknowledged the wider sector challenge of retaining females and individuals from ethnic minority backgrounds within construction employment.	
124.	CD commented that the College's pay structure was highly standardised and block-based, with limited variation within grades. CD explained that, while this approach provided consistency, movement between pay blocks could have a disproportionate impact on overall pay outcomes and was therefore a relevant factor in the gender pay gap position. CD commented that, although some external factors influenced the gap, there was no complacency, and the College would continue to take all reasonable steps within its control to address and improve the position where opportunities arose.	
125.	RM commented that she had attended a reunion for her degree course around a year ago, which prompted reflection on the long-term position of women in engineering. Over a period of more than thirty years, the proportion of women had increased only marginally, from around 9% to approximately 18%, which clearly demonstrated that women were still not being attracted into engineering degrees in sufficient numbers.	
126.	SCa asked CD whether the gender pay gap split observed at the College was comparable to that seen in other education institutions. CD explained that he had been responsible for producing the gender pay gap report in his previous role and had carried out a brief check of their published figures to refresh his understanding. CD noted that the figures appeared broadly comparable.	

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127.	CD explained that while headline mean and median figures were commonly published and available for comparison, these did not always reflect the underlying occupational distribution within an institution. CD commented that if pay data was analysed by specific curriculum or operational areas within the College, a similar gender pay gap pattern would likely be evident. This was particularly the case in specialist sectors where the College operated predominantly, compared with broader institutions that may only deliver limited provision in those areas.	
128.	SCa commented that one of the ongoing challenges was external perception. Colleges were often viewed as being all the same, without sufficient recognition of differences in curriculum mix and workforce composition. SCa commented that this could lead to questions about why figures differed between institutions, requiring additional explanation to contextualise the data. RL agreed with the point and commented that the College was particularly difficult to compare directly with others due to its specialist nature.	
129.	CD confirmed that benchmarking could be incorporated into the gender pay gap narrative and agreed that doing so would be helpful in providing additional context. JTH commented that she had just carried out a quick benchmarking exercise and would forward this to CD for information. It was agreed that this would be reported to the Committee.	**CD** **June 2026** **JTH** **May 2026**
130.	**Resolved –** Committee members received the HR Update.	
	FR/26/123 – Health & Safety / Estates **a) Health & Safety Update**	
131.	CD presented the paper which had been prepared by Aimee Beckwith (AB) (Health & Safety Advisor) and provided a brief overview.	
132.	PN noted that the air monitoring process had been completed and the College was awaiting the reports. PN asked if any risks had been identified during the feedback regarding the air quality monitoring	
133.	CD commented that he had received no indication of any risks identified. CD commented that the College had received some grant funding for CTEC specialist equipment and were looking to utilise some of the funding on a new sawdust extraction system for North Street to improve the current facilities in place.	
134.	SCa questioned the health and safety arrangements for the new CTEC Building and asked whether an independent health and safety assessment of the building should be undertaken as the project progressed. The assessment could cover its current condition, as well as each stage as the project moved through the construction phase. SCa commented that the assessment could then feed into the College's wider health and safety reporting, particularly when contractors or external parties were on site, to ensure everything was being carefully and appropriately managed. The College would ensure that any additional health and safety assessments would be undertaken as required.	

Min. Ref.	Minutes	Actions
135.	SCa requested assurance that the College had proper control of the CTEC building and that it was being managed as a safe environment. CD explained that improved fencing and new signage was being progressed. CD explained that CTEC specific reporting would be included in future Health & Safety reports.	**CD June 2026**
136.	**Resolved:** Committee members received the Health & Safety update.	
	b) Estates update	
137.	CD presented the paper which had been prepared by Mark Hudson (MH) (Head of Estates) and provided a brief overview.	
138.	CD commented that a significant amount of work had been undertaken, including extensive activity over the Easter holiday period; this included disruptive works regarding fire doors and fire stopping and other essential building works. CD commented that every opportunity was being taken to modernise and improve facilities as required and the paper provided a comprehensive overview of the works currently underway. CD commented that the over cladding work at North Street and refurbishment of the Refectory would commence in June 2026.	
139.	SM commented that a significant amount of the work being carried out to improve the estate was being funded through the Transformation Fund.	
140.	SCa commented on the importance of ensuring there was clear internal and external communication with all stakeholders regarding the significant investment in buildings and estates and the efforts being made to improve the College environment.	
141.	CD referred to the importance of informing students, staff and stakeholders and clearly articulating the rationale for proposed changes. CD explained that visual communications had been introduced within Reception and enrichment areas, including television displays, images of planned works, and printed materials highlighting initiatives that would directly impact students. These measures had prompted constructive discussion regarding the College's objectives and the reasons underpinning them.	
142.	RL commented that a lot of the work being carried out related to the comments made by Student Governors at the recent Board meeting which was positive to see.	
143.	**Resolved:** Committee members received the Estates update.	
	FR/26/124 – IT Update	
144.	MN presented Agenda Item FR/26/124 and provided an overview.	
145.	RL commended the clarity of the report, in particular the presentation of budgeted versus actual costs and the clear articulation of the savings arising from the mobile phone contract, which demonstrated good value for money.	
146.	MN commented that the renewal of the mobile phone contract, which had been ongoing for some time, was nearing completion. A contract had been agreed via CPC, with delays attributable to the provider. Testing had commenced and it was anticipated that migration would take place in the following month. The renegotiated contract would deliver a significant monthly saving and would also include handset refreshes, removing the need for a separate replacement programme and resulting in an estimated saving of approximately £15,000 over the next few years.	

Min. Ref.	Minutes	Actions
147.	MN commented that various IT developments had been funded through the latest round of CTEC funding, including the purchase of two additional laptop trolleys for staff. These had been delivered and were in the process of configuration, with deployment expected within three to four weeks. MN commented that this would be a welcome addition for staff and had also enabled the creation of additional IT teaching rooms using redeployed PCs, representing a cost-effective and timely benefit, particularly at the South Bank site.	
148.	MN explained that the Cyber Essentials Plus accreditation had been successfully achieved in December, providing assurance that required cyber security controls were in place and operating effectively.	
149.	MN commented that the digitisation of the bursary meal system was being progressed; final testing was underway, with a pilot for 100 students to commence shortly. MN would provide an update in his report for the next meeting.	**MN** **June 2026**
150.	MN presented Appendix A, which set out the proposal for a Public Address Emergency Alerting System in response to the forthcoming implementation of Martyn's Law. It was noted that the legislation, arising from the Manchester Arena Inquiry, required larger venues and public bodies to have effective systems in place to communicate clearly and rapidly with occupants in the event of a major incident, including scenarios requiring evacuation or lockdown that could not rely on the fire alarm system.	
151.	MN commented that while installation of such a system was not technically mandatory, alternative arrangements such as walkie-talkies and manual communication were slower and open to inconsistency. The proposed system would comprise approximately 130 networked speakers across all three campuses, including workshops and corridors, reflecting the College's operational environment. The system would enable clear, zoned audio messaging, integration with electronic door controls during lockdown scenarios, and visual alerts on screens in IT and teaching spaces.	
152.	MN commented that while the proposed solution represented a significant upfront cost (£118,660.00), the networked and zoned design would provide long-term flexibility, particularly in anticipation of future estate changes at North Street and South Bank following completion of the CTEC Building. MN explained that, over the lifetime of the system, costs were expected to be comparable with or lower than cheaper alternatives that would require repeated re-cabling and external contractor involvement.	
153.	SCa confirmed his support for the proposed remote solution and recognised the additional cost but emphasised the importance of the safety of students and staff, flexibility of the system and the associated improvements for the College. SCa asked for clarification regarding the asset ownership, as the paper confirmed that the College would own the equipment once purchased and installed. SCa requested assurance on the ongoing maintenance and operational implications, including whether provision for future repair, replacement and associated costs would be incorporated into future budgets.	
154.	MN confirmed that the IT Team would maintain the system; he was not anticipating many issues as the Power-over-Ethernet speakers were generally speaking very robust.	

Min. Ref.	Minutes	Actions
155.	SW questioned the timing of installing the system before the legislation was enacted and whether this left the College open to changes. MN explained that colleges, public institutions, arenas etc. were being given time to implement such systems; the implementation deadline was September / October 2026. There were no changes anticipated in the lead up to the implementation deadline.	
156.	CD suggested that MN provided an update on additional items that would be included in the budget, particularly around cyber security. MN commented that this included penetration testing, specialist equipment through CTEC funding, plotters to enable students to print off their designs etc.	
157.	RL raised the question of WiFi and broadband, which was continually mentioned by students in their feedback. MN commented that the installation of 10gbps broadband would mitigate some of these issues.	
158.	**Resolved:** Committee members received the IT update and approved the proposal for the purchase of the Schoolwatch Audiebant platform.	
	FR/26/125 – Capital project – CTEC Building update	
159.	CD presented Agenda Item FR/26/125 and provided an overview.	
160.	CD commented that a detailed cost plan had now been received from Turner & Townsend and had been circulated within the supporting papers. CD highlighted that the cost plan contained a typographical error relating to a reduction in floor space, which should read as a 600 square metre reduction rather than the 1,800 square metres stated. CD commented that the overall project cost remained broadly consistent with previous estimates, with greater clarity now achieved through inclusion of the IT fit-out cost of £850k, revisions to the College's own cash contribution, and the addition of recently notified Condition Funding.	
161.	CD commented that discussions were ongoing regarding prospective funding streams, including engagement with WYCA, to whom planning information had been provided; indicative timescales for feedback were outlined, subject to adjustment. The proposed sequencing of construction and financing phases was explained, with the project's key go/no-go decision point remaining at the end of the current financial year.	
162.	CD commented that discussions were underway regarding construction procurement options, whether this would be a design and build, single stage, two stage etc.	
163.	CD requested approval to cease using the working title "White House" and to adopt an alternative name – the CTEC Building, for use in forthcoming official documentation. SCa was pleased that the College had reconsidered the project name. Committee members welcomed the change in name.	
164.	SCa questioned whether phasing had been considered for the project; delivering elements incrementally to enable progress depending on funding availability, although potentially this could incur higher overall costs. SCa asked for clarification on the implications of securing funding from multiple sources, specifically whether differing conditions and restrictions attached to funding pots could hinder delivery and emphasised the importance of understanding these requirements early to avoid future complications.	

Min. Ref.	Minutes	Actions
165.	CD explained that the College had explored the option of opening the groundworks for September 2027 and worked with Turner & Townsend to understand whether this would be feasible. CD commented that this approach would involve installing the canopy in what was currently the car park and opening that element in September 2027, with the construction of the main building continuing through to September 2028.	
166.	CD commented that, in relation to the main building itself, there was much less opportunity for phasing due to the nature of the building and its essentially simple rectangular form. If phasing were technically possible it would come at a significant additional cost.	
167.	CD commented that SCa had made a valid observation regarding the funding requirements. Capital grants did come with conditions and restrictions, and the College would need to ensure it avoided any conflict or competition between funding streams. CD explained that the position was still not fully defined and would be reviewed as this progressed.	
168.	CD commented that a pre-planning application meeting with the Council took place recently and was very positive overall. The only issue raised related to the groundworks and the canopy, specifically around potential noise or dust concerns for residents on Melbourne Street. CD commented that the Council would be provided with further detail on the works that would be undertaken and was confident that the concerns could be addressed and resolved.	
169.	PN raised a question regarding the financial implications of the project, noting the level of unknown costs and uncertainty around funding sources. PN asked for clarification on the College's appetite for risk in relation to its financial health, given the College's historic position of being assessed as good or outstanding. PN also queried whether any analysis had been undertaken, or was planned, to assess the potential impact of the transaction on the College's financial health score and whether there was any appetite to accept a lower rating as a consequence.	
170.	CD referred to the previously shared a graph outlining the cashflow throughout the project. He commented that financing the project entirely through internal resources would result in a significant deterioration in the College's cash position. CD advised Governors that there was no appetite to place the College in a challenging financial position, and that the preferred approach was to secure external funding wherever possible, thereby minimising reliance on borrowing. While some use of cash reserves and limited borrowing may be required, the intention was to maintain reserves at a prudent level and to avoid exposing the College to undue financial risk.	
171.	RL commented that the College's risk appetite had already been discussed, together with the need for a broader, ongoing conversation about this. RL commented that achieving strategic objectives required an appropriate balance between ambition and risk, and that this balance should be kept under review as the College moved forward, including consideration of whether it was prepared to operate closer to its defined risk tolerance.	
172.	SW raised the question of the bridging loan from the West Yorkshire Combined Authority and referred to the changes around college reclassification which meant that the College could not borrow money.	

Min. Ref.	Minutes	Actions
173.	ND confirmed that the College was not permitted to undertake commercial borrowing and no borrowing facility was available through the Department for Education (DfE). ND explained that in the recent Skills White Paper, West Yorkshire had been identified as a test case for combined or strategic authorities lending to FE providers, with the College proposed as the first such test case, subject to the level of borrowing required and subsequent Governor approval.	
174.	ND commented that the Mayor had publicly confirmed this position, and that the Combined Authority was supportive of the College's plans. While no additional grant funding was being provided, the proposed funding package comprised a combination of DfE capital grant funding for CTEC, channelled through the Strategic Authority, and a loan arrangement currently under development. ND commented that the Combined Authority had stated that the loan was not intended to be a profit-making exercise and that, given the national profile of the test case, there was a strong incentive for the arrangement to succeed.	
175.	ND commented that ongoing discussions were focused on ensuring that any loan terms were as favourable as possible to the College and that the level of borrowing required, if needed to bridge the funding gap, was minimised through continued lobbying for additional funding. An update on progress and the status of any agreements was expected to be brought to a future meeting.	
176.	SW commented that her understanding of a bridging loan was that it was just a bridge until a more permanent loan was in place, which was not possible for the College, and questioned whether this would effectively be a loan.	
177.	CD commented that initial discussions with the Combined Authority regarding potential bridging loan arrangements differed significantly from those typically held with commercial lenders. While indicative questions had been raised around possible funding structure, term, and interest rates, the Combined Authority was unable at this stage to provide the level of clarity normally expected, and no draft heads of terms were available. CD commented that this reflected the fact that the proposed arrangement was operating in relatively unknown territory, unlike standard commercial lending processes. CD confirmed further information would be sought as discussions progressed and that any detail obtained would be brought back to the Committee for consideration.	
178.	SW referred to the paper and the additional £290k in consultant fees required to progress the project to RIBA Stage 3, at which point a planning application would be submitted; there was also an estimated £450k for strip-out works. SW asked for clarification regarding the decision point for proceeding with the project and whether the commitment to proceed would be required before or after the incurrence of the strip-out costs. CD commented that the decision point would be after the strip-out had been completed.	
179.	SW commented that at some point the work would need to be put out to tender and once a contract was signed the College would be committed. SW asked when it was anticipated that tenders would go out.	
180.	CD explained that the College was working to combine current funding knowledge with the College's emerging position in order to present a more informed and comprehensive update to the Committee in June 2026, ahead of completion of RIBA Stage 3 at the end of July / early August 2026. CD commented that, following the granting of planning permission, the project would then progress to tender.	

Min. Ref.	Minutes	Actions
181.	SCa queried whether capital costs incurred to date, including strip-out works, were being reflected in the asset value within the accounts, noting the potential to offset costs where works would not need to be repeated by a future purchaser. Clarification was also sought on whether planning approval would result in any uplift in asset value, and whether any such uplift would have an impact on the College's financial statements.	
182.	CD commented that consideration would need to be given to the appropriate accounting treatment of the building works, specifically whether the expenditure should be reflected within fixed assets or whether any alternative classification, such as an asset held for sale, might be applicable. CD confirmed that further discussion would take place with the external auditors to ensure the accounting treatment and presentation within the financial statements were appropriate and compliant.	
183.	SW commented that the strip-out works could improve the building's marketability and act as a mitigation, should sale of the building ever need to be considered.	
184.	SCa commented on the importance of maintaining oversight of the project in the context of funding uncertainty, noting that although external funding could not be guaranteed, the College remained committed to achieving best value. SCa recognised that, while investment may not fully recover asset value, it would generate a proportionate return and wider benefit.	
185.	SCa commented that securing planning permission was critical, both to demonstrate deliverability and to strengthen the College's position with potential funders. Once planning consent was in place, the project would be positioned as ready to proceed subject to funding.	
186.	Members discussed the need to agree an appropriate procurement route for a project of this scale, noting that multiple procurement options existed and that assurance should be provided on routes considered and rationale for selection. The importance of early market engagement was highlighted, particularly given the scale and one-off nature of the project, and the need to appoint contractors with sufficient financial stability and capacity to deliver.	
187.	ND commented that, should funding clarity not be achieved by the June meeting, there may need to be further consideration of the College's communications and public positioning in relation to the project. The Committee noted that any future approach would need to balance the College's longer-term relationships with key partners against the need for transparency regarding the funding position. It was also noted that political engagement would be expected to be accompanied by demonstrable financial commitment.	
188.	ND explained that extensive lobbying activity was continuing, with a focus on constructive engagement and relationship-building with relevant stakeholders, including the local authority, combined authority and national bodies. ND expressed concern regarding the increasing time and resource being absorbed by funding discussions, particularly given that the project was designed explicitly to meet agreed government agendas, including support for SEND learners, NEETs and construction skills development.	
189.	ND commented that Governors may be asked to provide guidance at an appropriate point on the level of robustness to be adopted in communications and stakeholder engagement, potentially through a wider discussion beyond the remit of the Committee.	

Min. Ref.	Minutes	Actions
190.	RL agreed that the point raised by ND regarding the need for appropriate support was valid, and members confirmed their willingness to provide this. RL commented that this may be best achieved through a smaller, more dynamic group, drawing on the skills already present around the table and the wider Governing Body.	
191.	CD commented that a procurement options paper from Turner & Townsend had been received shortly before the meeting and therefore did not form part of the current update. CD confirmed that members would be kept informed as the preferred route was developed, with early indications suggesting a single-stage design and build approach, subject to further discussion. It was agreed that dedicated Governor working group would be established to support this work, at an appropriate time in the future to ensure that robust decisions could be made at pace. It was agreed that further information would be presented to the next meeting.	**JTH / CD June 2026**
192.	RL sought clarification on the proposed name for the new building. ND commented that the project was already being referred to as the CTEC Building and this was being used locally and externally during the development phase, however, once completed it was expected that the College's standard name convention would be adopted, i.e. North Street 2.	
193.	ND commented that discussions were ongoing with BAM in relation to potential employer sponsorship, including possible naming rights for the new building. These discussions had not been progressed at this stage, as the College was awaiting further information from the Strategic Authority regarding the overall funding and sponsorship framework. ND commented that BAM had been advised that any naming rights would be contingent upon financial contribution. ND explained that work was also underway to explore wider sponsorship opportunities, with learning being drawn from higher education practice.	
194.	SCa raised a question regarding the procurement routes and options and highlighted the importance of supporting the College's localism agenda and ensuring that local contractors were given fair opportunity to tender. CD commented that contractor selection would be carefully considered, with a range of options reviewed as part of the College's strategy to develop a diverse pool of suppliers rather than defaulting to previous providers.	
195.	**Resolved:** Committee members received the Capital project update and approved the name change to the CTEC Building for the development phase.	
	FR/26/126 – Reserves Policy	
196.	CD presented Agenda Item FR/26/126 (Reserves Policy) and explained that this Policy was required under the Charity Commission Statement of Recommended Practice (SORP).	
197.	CD commented that the Policy had been updated to increase the cash days minimum from 25 days and £1.5m to 40 days and £3.0m. The approach had been discussed with the internal auditors, who acknowledged that the measure was not the most informative indicator for the College, as liquidity was monitored through other mechanisms, including financial health metrics and DfE reporting. Nevertheless, as the policy was a regulatory requirement, it had been updated with a benchmark of 40 cash days, which represented a minimum threshold rather than a target level.	

Min. Ref.	Minutes	Actions
198.	**Resolved:** Committee members approved the updated Reserves Policy.	
	FR/26/127 – Internal Audit Reports update	
199.	CD provided a verbal update on internal audit progress and engagement with the College's internal auditors (ICCA). CD commented that recent discussions with ICCA had been constructive and had helped to reset the working relationship following earlier challenges. CD commented that assurances had been provided that actions would be taken to ensure the internal audit programme for the year was completed and outstanding matters closed. CD commented that ICCA had confirmed their continued availability to undertake independent funding assurance work, separate from the core internal audit programme.	
200.	CD explained that several internal audits were currently in progress. The Business Continuity Planning audit was nearing completion with a draft report received and reviewed. The audit had drawn on evidence of existing plans, testing, simulations, and future activity; it was expected that there would be a small number of medium priority recommendations but no signification issues.	
201.	An Equality and Diversity audit was due to commence on 4 May, with relevant staff briefed and engagement with auditors underway. The GDPR audit had been delayed and remained ongoing. The People Strategy audit was also progressing, with final quality-related aspects, including teaching and learning elements, being completed.	
202.	CD commented that overall good progress was being made in bringing the internal audit plan to completion.	
203.	**Resolved:** Committee members received the verbal update on Internal Audit Reports.	
	FR/26/128 – Consideration of risks relating to the Committee	
204.	CD presented Agenda Item FR/26/128. CD commented that the risks relating to Finance had been extracted from the full redesigned list of risks and there had been no changes since the last report.	
205.	CD commented that discussions had taken place regarding the College's overall risk register and a presentation by RSM had been arranged. CD commented that he was keen to progress this so that a risk register platform was accessible to Governors, senior managers and appropriate staff. Such a system would provide a more dynamic picture of the College risks and how they were being managed.	
206.	**Resolved:** Committee members noted the risks relating to the Committee.	

Min. Ref.	Minutes	Actions
	FR/26/129 – Matters to be reported to the Board	
207.	**Action for the Board to take** None. **Action taken by the Committee** Reserves Policy; Approval of the updated Reserves Policy (increasing minimum liquidity threshold to 40 cash days / £3.0m) is recommended. Capital Investment (Health & Safety / IT) Approval for the Public Address Emergency Alert System (Schoolwatch Audiebant platform) at a capital cost of approx. £118k, to support compliance with Martyn's Law and enhance site safety CTEC Building (Capital Project) Capital project update received and approval of the name change to the CTEC Building for the development phase.	
208.	**Key Assurance to the Board** Financial Performance and Sustainability; Improved financial performance, with forecast income increasing by £1.66m and EBITDA rising to £3.7m. Strong cash position (£7.3m) with careful ongoing monitoring. A robust line-by-line review of payroll costs, confirming forecast accuracy and control. Budget and Risk Management; Early indications for 2026/27 budget are positive, subject to further refinement. External economic risks (energy, interest rates, markets) were being actively monitored and prudently modelled. Risk register development was progressing, with plans to introduce a more dynamic and accessible system. HR and Workforce Implementation of a Recruitment systems (Applicant Tracking System) was progressing well. Leadership development (Aspiring Managers Programme) was well-received and effective. Staff wellbeing initiatives were impacting positively on morale and engagement. Gender pay gap: Reported at 11.92% mean / 22.5% median, primarily driven by sector workforce composition, not unequal pay. Evidence of year-on-year improvement and active mitigation strategies. Estates, Health & Safety and Compliance No significant issues identified through health & safety monitoring, including air quality checks. Significant estate investment was underway, funded through Transformation Fund, improving facilities. Positive response to student feedback is reflected in estate improvements.	

Min. Ref.	Minutes	Actions
	IT and Digital Infrastructure Significant cost savings (~£15k) achieved through renegotiated mobile contracts. Cyber Essentials Plus accreditation achieved, confirming strong cyber controls. Investment in infrastructure (devices, broadband, teaching spaces) supports delivery. CTEC Assurance on the plans in place and the steps being taken to secure funding and the process around the decisions on proceeding with the development. Further consideration will be given to the establishment of a Working Group to support and make robust decisions at pace in due course. Internal Audit Internal audit programme was on track, with: No major issues expected. Only minor/medium recommendations anticipated. Relationship with auditors had improved and stabilised.	
209.	**Alerts to Board** None.	
	FR/26/130 – Any Other Business	
210.	No other items of business were raised.	
	FR/26/131 – Date of Next Meeting	
211.	The next meeting was scheduled for Monday 29 June 2026 at 2.30pm (North Street). **Forward Plan**	
212.	**Resolved:** Committee members noted the Forward Plan.	