

The Corporation of New College Durham

**Minutes of the Finance and Resources Committee
meeting held on 8 October 2025**

Present:

Ben Fisher (Chair)
Andy Broadbent
Helen Golightly

Jonathan Hamill
Philip Pollard
Bethany Robson

Apologies:

Alison Maynard

In attendance:

Karl Fairley (Deputy Chief Executive)
Paul Bradley (Chief Finance Officer)
Bob Metcalf (Executive Director of Finance and Corporate Services)
Elaine Bonham (Executive Director of HR and Corporate Services)
Kimberly Stevenson (Executive Director of Estates, Facilities and Corporate Services)
Nik Whiting (Executive Director of ICT and Corporate Services)
Adele Dowson (Vice Principal)
Caroline Winter (Head of Governance & Corporation Secretary)
Chloe Freeman (Administrator)

Action

25/38 Chair's introduction and starred items

The Chair welcomed everyone to the meeting and noted that this was the first meeting for Bethany Robson and Jonathan Hamill since their appointment to the Committee. Members were reminded to declare their interests in any item of business to be discussed at the meeting. No interests were declared.

Members confirmed that they did not require any further discussion about the starred agenda item Paper H.

25/39 Apologies for absence were received from Alison Maynard.

25/40 Minutes of previous meeting (Papers A1 & A2)

The minutes of the meeting held on 18 June 2025 (including confidential minutes) were agreed as accurate.

25/41 Matters arising not appearing elsewhere on the agenda

25/25 – the findings of the market research exercise were circulated with the agenda and papers for this meeting. The Chair commented that the information was very interesting reading and thanked the team for its circulation.

25/42 Enrolment Update 2025/26 (Paper B)

Adele Dowson presented Paper B, which provided the latest enrolment position (at 24 September 2025).

Members reviewed the enrolment data for 16-19 learners, T Levels, Adults, Apprenticeships and Higher Education and were advised that despite demographic and policy challenges the College continued to see growth in key areas.

Members noted the potential for clawback in respect of T Levels and Adele advised that the College was providing daily updates to the DfE on T Level recruitment. It was expected that there would be some significant adjustments to these qualifications in future. Bob Metcalf explained that in setting the budget, the potential that the planning target may not be achieved was identified quickly and some provision was made for potential clawback. Members recognised that T levels were still in their relatively early days and bedding in nationally and asked how the College compared to the experience of others in the area. Adele confirmed that whilst other colleges were experiencing similar issues, NCD offered a greater range of T Levels. NCD was the only local college delivering the engineering course and there was a specific challenge in securing industry placements in an engineering company for every student. The College had worked to develop different approaches and agreed adaptations to the industry placement framework. Adele advised that in future the College would consider where to focus its attention on T Level subjects. The government's reversal on defunding certain qualifications meant there was still a range of alternatives rather than the T Level being the 'go to' qualification as had been previously anticipated.

Adele talked through the actions planned in response to the start of year position as detailed in the report and emphasised that the curriculum was undergoing constant review. Members asked whether the review of the curriculum and under-recruiting areas would go beyond re-packaging the approach to certain courses to potentially stopping some programmes in response to industry trends and where the demand for some skills was no longer there. Adele confirmed that this would be the position, based on employer advisory board feedback on current actual need and a review of the alternatives that students had chosen.

In response to a member's question about the process for selecting students for oversubscribed areas, Adele explained that students would be advised when applying that they may not be allocated a place if their first choice was oversubscribed. A robust initial assessment would be undertaken of the student's work to establish if they were working at the required level and IAG support provided to ensure the right student was on the right course. If the student did not stay with the College they would be replaced. Andy Broadbent explained the difficulties in predicting student choice and that whilst the majority of planning was accurate, Heads of School were already reviewing their plans against actual recruitment and lessons learned. This was being considered alongside accommodation needs and demographic increases as

projected, to plan for what the College would need and what the campus would look like in five years' time.

Members commented that the update provided a level of assurance that the College was dealing with immediate needs and pinch points at the same time as considering the long-term decisions that would be needed on the campus and other resources.

Members noted the College start of year enrolment position and the action points detailed in section 7 of the report.

25/43 Sickness absence monitoring 2024/25 (Paper C)

Elaine Bonham presented Paper C, which updated on the sickness absence position for the 2024/25 academic year.

Members noted that the absence rate for 2024/25 was 3.59%, which represented a 0.47% reduction compared to 2023/24 (4.06%), and was the lowest the College had recorded since pre-COVID. It was noted that the report introduced a proposal to change the sickness absence target for 2025/26, but that this would be considered for formal approval under Paper G2, which was later on the agenda.

Elaine highlighted that both the total cost of sickness and the total cover cost had increased since the previous year but explained that this was due to an increase in staffing costs following the pay award and a rise in the number of days at half pay and statutory sick pay (SSP). Overall sickness-related costs had stabilised, largely due to reduced reliance on expensive staff cover arrangements. Members noted the top recorded reasons for sickness absence and that mental health absence continued to be an issue, with stress and anxiety becoming a significant proportion of short-term absence. Elaine explained that the sickness absence report went hand in hand with the following agenda item which update on the Mental Health and Wellbeing Strategy. Elaine updated on sickness absence trends in other organisations and members expressed disappointment in the lack of benchmarking data provided by the Association of Colleges. Elaine explained that the AoC had previously expected this information to be captured by the DfE workforce survey, but had plans to reintroduce benchmarking activity now that it was clear this would not be duplicating the DfE survey.

Members sought clarification in relation to the entitlement to SSP noting that the report referenced that significant changes were made to the College's policy in 2016/17. Elaine explained the changes to the service entitlement boundaries for contractual sick pay and advised that this was brought to the attention of new staff on appointment. Karl Fairley explained that the Executive Director HR and Corporate Services had a discretion in relation to sick pay and that this had always been paid in full if a member of staff was

diagnosed with cancer. Under the previous scheme, most short-term sickness had been on full pay and this was the reason the policy was changed. Elaine confirmed that whilst the change in policy had been a challenge to introduce, if it was felt to be impacting on staff retention and recruitment it could be reviewed to consider if it was still the right approach for the organisation.

Members asked whether there was anything that other large organisations were doing in relation to sickness absence and stress and anxiety in particular that the College could adopt. Elaine confirmed that there was nothing additional of which she was currently aware but that this would be kept under review.

The Committee noted:

- the analysis of sickness absence for 2024/25.
- the performance of the College in respect of the key national and regional benchmarks.
- the sickness absence rate for 2024/25 (3.59%) in relation to the KPI for sickness absence as detailed in the Human Resources Strategy, which is to keep the rate under 3%.
- the proposed change in respect of the sickness KPI target for 2025/26 to be considered for approval in Paper G2 on the current meeting agenda.

25/44 Mental Health and Wellbeing Strategy - Staff Update (Paper D)

Elaine Bonham presented Paper D, which updated on progress made under the College's Mental Health and Wellbeing Strategy. Elaine explained that the update focused on staff with a separate paper focusing on students being prepared for consideration by the Education Quality Curriculum and Students Committee.

Elaine emphasised the significant progress made under the strategy since Covid, reflecting the elevated importance of mental health and wellbeing as a strategic priority for the College. Members noted the national FE context impacting on staff wellbeing including historical underfunding and pay disparity with teachers, contractual insecurity and workload pressures. The report summarised staff survey feedback, which indicated that staff recognised a genuine organisational commitment to their wellbeing, it provided local context in relation to the College's sickness absence and turnover rates, and analysed how this compared to national benchmarks. Members reviewed the key measures introduced by the College leadership to promote staff wellbeing and commended the progress made against the strategic aims of the strategy over 2024/25.

Members observed that breaking down staff survey feedback between curriculum and support staff may highlight areas of difference. Elaine agreed this was a valid area to explore and advised that whilst the previous survey drilled down to department

level, the next survey would use a tool that would provide support to break down the feedback as suggested.

The Committee:

- noted the contents of the paper, and ongoing progress which has been recognised internally and externally
- noted the significant progress made against the strategic aims during 2024/25.
- **affirmed** the Mental Health and Wellbeing Action Plan for 2025/26 (detailed in Annex B of the report).

25/45 Network Security Management 2024/25 (Paper E)

This item was recorded confidentially under confidential minute 25/45a.

25/46 Financial Monitoring (Year End) 2024/25 (Paper F1)

Bob Metcalf presented Paper F1, which provided the financial position of the College at 31 July 2025.

Bob advised that the R13 individualised learner record return had been completed and updated members on changes since the report to Corproation in September. Members noted the significant increase to the projected surplus resulting from accelerated delivery of Bootcamp contracts with the DfE and the two regional Combined Authorities, in addition to successful student retention and higher than budgeted recruitment levels at CECOS. In addition to the latest updates, Bob advised that the financial forecast had been reviewed line by line and recapped the changes during the year which had impacted on the position. This included additional in-year grants from OfS and the DfE which had not been expected, additional high needs funding from Durham County Council, an extension to Shared Prosperity Funding, strong recruitment on the College's HE collaborations, Electric Vehicle grant and the FE condition allocation. It was noted that some gains were offset by the non-consolidated pay award approved by Corporation in July. Bob concluded that overall it had been a good year, and the report demonstrated that the College remained financially outstanding.

Members acknowledged the volatility of funding and the challenges this presented in financial forecasting and commented that the College was in a very positive position. Members highlighted that the late income from the North East Combined Authority was a very positive indication of their confidence in the College's delivery. The Principal emphasised that whilst a very prudent approach was taken to budgeting, there had been no constraints in spending on appropriate areas.

Members noted the report.

25/47 Capital Developments - Update (Paper F2)

Paul Bradley presented Paper F2, which updated on the College's major capital projects.

Members noted the position on the Construction Centre of Excellence (CCoE) as reported to Corporation in September. Paul then summarised developments in relation to the proposed development of the Sports and Music building since the decision to pause the project pending a clearer understanding of the financial position. Paul highlighted the strong student recruitment position reported in the enrolment update earlier in the meeting and the accommodation challenge this presented.

Members asked if there was an update in respect of the costs of the steel works required to the CCoE and whether there was a contingency in the budget. Paul updated that the College's external advisors had requested further information before advising on the position. Paul confirmed that the cost of the works could be met through the project budget however this would exhaust the contingency allocation. The College would continue to explore avenues to recoup the cost of the works, which were necessary to protect the lifespan of the building.

Members asked if there was a correlation between areas of growth and the areas of investment in the College estate. Adele Dowson confirmed that feedback on current growth levels in sports recruitment indicated that the new 4G pitch had been a USP for new students. Sixth Form recruitment had not achieved target and local sixth forms had changed their approach and offer, significantly increasing the level of competition for these students. Members confirmed their knowledge of developments in local competitors' provision and facilities that would impact on the College's sixth form. It was agreed that a discussion on whether a stand-alone sixth form at NCD was required was timely. Karl Fairley highlighted the year-on-year growth in 16-18 year old students which was predicted to continue and advised that the building offered the potential to create generic classroom space. This would serve 85% of the curriculum and members noted that establishing additional capacity would serve the College well for current challenges and anticipated future growth.

Members noted the progress on the Construction Centre of Excellence – Learning Space 2 and the update on the current Sports and Music Building Proposed Development.

25/48 2024-25 Year End Report on Corporate Services Strategic KPIs - Performance and Impact (Paper G1)

Karl Fairley presented Paper G1, the annual update on progress made against the key performance indicators (KPIs) in the Corporate Services Strategies.

Members reviewed the performance position across each area and Karl drew attention to KPIs which set very aspirational targets due to their nature, for example a zero target in relation to accidents. It was noted that the Committee received updates at each meeting on KPIs and that the report should therefore contain no new information. Karl advised that when the health and safety breaches recorded in the report were reported to Corporation, additional assurance was sought by non-committee members that the Committee was satisfied that these had been addressed and that there were no concerns in that area. Details on the action taken in response to the breaches had been added to the report for the Committee to consider. Members confirmed that there were no surprises in the report given the regular updates and that the additional narrative on the health and safety matters was helpful in providing the required assurance.

Members noted attainment/progress against the Strategic KPIs for 2024/25.

25/49 Strategic KPIs 2025/26 – Update (Paper G2)

Karl Fairley presented Paper G2, which provided an update against the agreed KPIs for 2025/26. Members reviewed the latest performance information across Corporate Services and Karl explained the report was covering only the first month of the new academic year so was at a very early stage.

Karl referenced the sickness absence monitoring report discussed earlier in the meeting and advised that whilst the need for an aspirational target for sickness absence was recognised, the 3% target had not been achieved in 26 years of reporting. Members noted the proposal was to amend the target to a range between 3-4% and reviewed the thresholds attached to the range as detailed in the report. Karl advised that reporting would continue to be supplemented by a detailed examination of sickness absence. Members sought clarification on the RAG rating that would be used for future reports and Karl confirmed that if the rate was between 3-4% during the year this would be rated amber, however if this was the position at the year end the performance would be rated green. A rate of over 4% would be rated red.

The Committee:

- noted the progress on the KPIs at this very early stage in 2025/26
- **agreed to amend KPI SKPIHR2 from having an absence rate and below 3.0% to a target range for sickness absence of 3% – 4%**

25/50 Westfirst Financial Monitoring (Year End) 2024/25 (Paper H) – to note

Members received and noted the annual report and financial statements for Westfirst Limited for the financial year 2024/2025 covering the period 01 August 2024 to 31 July 2025.

25/51 Any other business

Members discussed the proposal to hold a meeting in person at some point during the year following the decision by Corporation to retain online committee meetings indefinitely. It was agreed to arrange one face to face meeting but to retain a hybrid option for those unable to attend in person.

CW

25/52 Date of next meeting: 26 November 2025