

Meeting of the Finance and Resources Committee

Venue: STC Conference Room 1 / TEAMS

Date: 4 July 2024

Time: 10.00am – 12.15pm

Present: Colin Seccombe (in the Chair)
Mark Turnbull (TEAMS)
Donya Urwin (TEAMS)
Lindsey Whiterod

In Attendance: Neil Longstaff (Director of Governance)
Jane Cuthbertson (Chief Operating Officer)
Allyson Edney (Director of HR)
Karen Ritchie (Head of Finance)
Steve Chittenden (Head of Finance)
Mandy Morris (Principal)
Diane Turner (Vice Principal)
Joanne Chadwick (Director of Business Engagement, Partnerships, Skills and Apprenticeships)(JCa)
Claire Pinkney (Contracts and Procurement Manager)

ACTION TRACKER

Item	Summary of Action Required	By whom	Status	Comment / Update
Meeting held on 4 July 2024				
5.	<u>HE Fees</u> the Board is recommended to agree that the 2024/25 fees are maintained for the academic year 2025/2026. The College will continue to negotiate on new contracts always ensuring it will obtain maximum value for money for the College.	SA		Approved by Board
14.2	<u>Student Association Budget 2024-25</u> That the Finance and Resources Committee agree to recommend to the Board a budget of £20,000 for the 2024-25 academic year.	JC		Approved by Board

MINUTES

ITEM	ISSUES	ACTION
1.	<p>Apologies for Absence</p> <p>Governors received and approved apologies for absence from Gary Hindmarch after first considering the reasons for his absence.</p> <p>The Chair reminded the members of the Committee that this was a rescheduled meeting and indicated that he was unhappy with the not having the Budget ready for the initial meeting even though it ultimately had to be rearranged due to the unavailability of governors.</p>	

2.	<p>Declarations</p> <p>i. <u>Declarations of interests</u> The Chair reminded members to declare any conflicts of interest as they arose on the agenda.</p> <p>The members of the Committee were reminded of the standing declarations in respect of the roles held in Tyne Coast Academy Trust by CS and LWh.</p> <p>ii. <u>Business to be raised under Item 20</u></p> <ul style="list-style-type: none"> • Cleaning Contract 	
3.	<p>Minutes The minutes of the meeting held on 12 March 2024 were approved and signed by the Chair.</p> <p>Matters arising not covered on the agenda</p> <p>As reported on the Action Tracker.</p>	
4.	<p>Chair's Urgent Action(s)</p> <p>Confidential item</p>	
5.	<p>HE Fees</p> <p>The purpose of this report was to confirm the Higher Education (HE) Fees for 2025/2026 academic year.</p> <p>The SSMS Principal highlighted the following:</p> <ul style="list-style-type: none"> • Fee limits remained unchanged by the Office for Students for 2025/26 • It was being recommended that TCC charged up to the basic Fee Limit of £6165 for Full-time programmes and £4625 for Part-Time Students • It was also recommended that the College did not make an application to the Office for Students to charge the higher fee amount. <p>Q. Access and Participation Plan – major exercise? Yes and given the background of the College’s students and the competition in the area it was recommended that the College did not apply for the higher fee limit.</p> <p>Q. Ever see changing? Possibly but not at this point.</p> <p>Resolved: That the Board is recommended to agree that the 2024/25 fees are maintained for the academic year 2025/2026 as most are already at the maximum fee and the ones that are not are programmes where the College has negotiated prices with individual employers or providers such as Northern Power Grid, the NHS or the Engineers Academy. The College will continue to negotiate on new contracts always ensuring it will obtain maximum value for money for the College.</p>	SA
6.	<p>Update on subcontracted provision</p> <p>Confidential item</p>	
7.	<p>Policies</p> <p>The Committee received the following policies for review. Where changes were made, the reasons for the change were explained.</p>	

	<ul style="list-style-type: none"> • Sub-Contracting Supply-Chain Fees and Charges Policy • Bursary Policy • Q. Any abuse of system? No, it was tightly regulated. • HR Policies: <ul style="list-style-type: none"> ❖ Maternity and Adoption Policy ❖ Senior Postholders Disciplinary and Grievance Procedures ❖ Paternity and shared Parental Leave Policy • Foreign Travel Policy • Staff Travel and Expenses Policy <p>Resolved:</p> <p>i. That the following policies are approved:</p> <ul style="list-style-type: none"> • HR Policies: <ul style="list-style-type: none"> ❖ Maternity and Adoption Policy ❖ Paternity and shared Parental Leave Policy <p>ii. That the following policies are recommended to the Board for approval:</p> <ul style="list-style-type: none"> • Sub-Contracting Supply-Chain Fees and Charges Policy • Bursary Policy • HR Policies: Senior Postholders Disciplinary and Grievance Procedures • Foreign Travel Policy • Staff Travel and Expenses Policy <p>JCa left the meeting.</p>	
<p>8.</p>	<p>Human Resources Plan 2023-24 (review)</p> <p>This paper advised the Finance and Resources Committee of the updated HR Action Plan.</p> <p>The report provided an overview on the work being undertaken and had been planned into 3 key areas of focus for the HR Team, which were:</p> <ul style="list-style-type: none"> • Well-Being Initiatives • Line Manager Training • Induction for New Starters <p>AE explained that this was a live document to take forward.</p> <p>Q. Most progress made? Well-Being, although this could be better. AE commented that induction was also improving.</p> <p>Q. Least progress? Policies and procedures – a full review was being planned with the aim of making them more streamlined and effective.</p> <p>Q. Budget constraints? If the Board approve a HR system that was being explored then HR should have all the resources it needed. This would need to be assessed for next year.</p> <p>Q. Restructure and pay situation? Meaningful negotiations were ongoing with the UCU regarding a change in teaching hours and the pay ‘package’ that had been offered with a view to the Unions taking these to their members for consideration. Further meetings were planned. In terms of redundancies, AE outlined the scale and progress being made. It was also noted that redeployment and reduction in hours had been accepted.</p> <p>The Chair commented that significant progress was being made.</p> <p>Resolved: That the committee agree to receive the report and acknowledge the information presented.</p>	

	<i>SA, MM and AE left the meeting</i>	
9.	Management Accounts Confidential item	
10.	Report on financial impact of college relocation project on college finances Confidential item	
11.	<p>College reserves briefing paper</p> <p>The purpose of this report was to advise governors of the College's financial liquidity.</p> <p>This paper also advised governors as to the causes behind the College's reducing liquidity position.</p> <p>It was noted that there was approximately £1.4m operating liquidity should all debtors income be received and creditors be paid.</p> <p>The paper also detailed the loan with Santander and should this be recovered, operating liquidity would be c£400k.</p> <p>College liquidity had deteriorated by £3.1m since 2020/21 due to £1.5m spend on the capital projects as detailed in the earlier paper and a significant reduction in curriculum contribution to overheads.</p> <p>It was reported that the College needed to deliver c.£1.3m of operating cash generation to maintain its liquidity based on the Santander loan repayments and a College capital refresh programme c£1m.</p> <p>Resolved: That the committee agree to receive the report and acknowledge the information presented.</p>	
12.	Pay Award Confidential item	
13.	<p>Funding Allocations 2024-25</p> <p>This paper advised the Committee of the funding allocations which the College had received for the 2024-25 with 2022-23 and 2023-24 allocations included in the report for comparative purposes.</p> <p>Q. Additional £600k for Maths and English – redeploying funding? No, this was being used to support the curriculum.</p> <p>Resolved: That the Committee agree to receive the report and acknowledge the information presented.</p>	
14.	<p>Budgets 2024/25</p> <p><u>14.1 College Budget 2024-25 and 2-year Financial forecasts</u></p> <p>Confidential item</p>	

	<p>14.2 Student Association Budget 2024-25</p> <p>The purpose of the paper was to request approval for the Students' Union budget for 2024-25.</p> <p>For 2024-25 it was proposed to offer the Union a budget of £20,000 for activities and payment of officials and support for those officials. This budget would primarily be used to pay a salary to the Student Union President(s), with the remaining £2k being available to fund activities. The increase in total budget, from £18,000 in 2023-24, related to a £2,000 increase in staffing costs of the Student Union President role.</p> <p>The paper detailed how requests for expenditure were made, approved and monitored.</p> <p>It was noted that the budget was monitored as part of the monthly management accounts package provided by the Finance Department.</p> <p>Resolved: That the Finance and Resources Committee agree to recommend to the Board a budget of £20,000 for the 2024-25 academic year.</p>	JC
15.	<p>Approval of Contracts and Planned Expenditure in Excess of £125k</p> <p>Confidential item</p>	
16.	<p>Breach of Contract</p> <p>Confidential item</p>	
17.	<p>Sodexo contract termination – financial dispute update</p> <p>Confidential item</p>	
18.	<p>College Financial Handbook</p> <p>This report was to inform governors about the College Financial Handbook.</p> <p>It was reported that the ESFA had published a college handbook, which comes into force on 1st August 2024 and the College must abide by. Financial Regulations and procedures would be updated to comply with the handbook.</p> <p>The Chair of the Audit Committee had asked that the COO to provide a short precis / checklist of the handbook to share with the Board outlining controls that it had in place.</p> <p>The handbook would also be shared with staff who would be required to sign to confirm they have read and understood the handbook.</p> <p>Audit Committee had asked that the COO liaised with HR about ensuring contracts of employment detail requirements of staff to comply with financial regulations, college handbook and 7 principles of Public Life.</p> <p>Q. Deficient in any areas? None.</p> <p>Resolved: That the Finance and Resources Committee agree to receive the report and note the College Handbook.</p>	

19.	<p>Feedback from Business & Stakeholder Groups</p> <p>None.</p>	
20.	<p>Any other business</p> <p><u>Cleaning tender outcome and contract approval</u></p> <p>Confidential item</p>	
21.	<p>Date and time of next meeting tbc</p>	
22.	<p>Identification Confidential Items</p> <p>Resolved: That the following items are to remain confidential:</p> <ul style="list-style-type: none"> • Item 04 – Chair’s urgent action(s) • Item 06 – Update on subcontracted provision • Item 09 – Management Accounts • Item 10 – Report on financial impact of college relocation project on college finances • Item 12 – Pay Award • Item 14.1 - Budgets 2024/25 College Budget 2024-25 and 2-year Financial forecasts • Item 15 – Approval of Contracts and Planned Expenditure in Excess of 125k • Item 16 - Breach of Contract • Item 17 - Sodexo contract termination – financial dispute update • Item 20 - Any other business (Cleaning tender outcome and contract approval) <p>Governors thanked Steve Chittenden for his work with the College and particularly with the F&R Committee and wished him well in his retirement. The CEO also thanked SC for his service to the College.</p> <p>Governors also noted that this was Colin Seccombe’s final meeting and they thanked the Chair for his service to the Committee particularly during his time as Chair and wished him well for the future.</p>	

Signed: **Date:**