

Meeting of the Finance and Resources Committee

Venue: STC Conference Room 1 / TEAMS
Date: 26 September 2023
Time: 4.15pm – 6.05pm
Present: Colin Seccombe (in the Chair) (CSe)
 Donya Urwin (TEAMS)
 Lindsey Whiterod (LWh)

Apologies for absence: Gary Hindmarch
 Martin Alexander

In Attendance: Jane Cuthbertson (Chief Operating Officer)
 Neil Longstaff (Director of Governance)
 Simon Ashton (SSMS Principal)
 Val Howey (HR Consultant)
 Allyson Edney (Director of HR)
 Scott Bays (Head of MIS)
 Steve Chittenden (Head of Finance)
 Karen Ritchie (Head of Finance)
 Sarah Bartlett (Head of Estates)(SaB)
 Lynsey Whitehead (Director of Business Engagement, Partnerships & Apprenticeships)
 Sharon Major (Contracts and Projects Manager)
 Claire Pinkney (Procurement Manager)

ACTION TRACKER

Item	Summary of Action Required	By whom	Status	Comment / Update
Meeting held on 26 September 2023				
10.	<u>Review of Committee Performance against TOR</u> NL is to liaise with LWh around setting alternative dates for meetings to achieve maximum attendance by governors.	NL/LW		Change of membership – no further changes required
11.	<u>Committee Workplan 2023-24</u> The annual review of subcontracted provision being moved to the June committee meeting.	NL		Done
13.	<u>Annual Review of Financial Regulations</u> Finance and Resources Committee agree to receive the report and recommend them to the Board for adoption.	JC		Agreed by Board

MINUTES

ITEM	ISSUES	ACTION
1.	Apologies for Absence The Committee approved apologies for absence received from those identified above having first considered the reasons for their absence.	
2.	Declarations	

	<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 CSe, CP and JC.</p> <p>ii. <u>Business to be raised under Item 21</u> None</p> <p><i>With the approval of the Committee, the Chair changed the order of business as follows.</i></p>	
3.	<p>Forecast Partnership Activity 2023/24</p> <p>Confidential item.</p>	
4.	<p>HR Report and Update on Action Plan 2022/23</p> <p>Confidential item.</p>	
5.	<p>Human Resources Action Plan 2023-24 and review of 2022-23</p> <p>VH explained that this was undergoing a complete overhaul and would include the views of the new Director of HR.</p> <p>It was expected that a draft would be submitted to the Committee's next meeting.</p> <p>Resolved: That the information is noted.</p> <p><i>VH and AE left the meeting</i></p>	
6.	<p>Procurement and Contracts reflection paper 22/23</p> <p>Confidential item.</p>	
7.	<p>Annual Report on Estates</p> <p>This report provided governors with an update on major estates projects and developments.</p> <p>SaB highlighted the following issues:</p> <ul style="list-style-type: none"> • A summary of planned maintenance works completed over the last year • Due to the two new bids for relocation of premises, the focus had been on essential maintenance and Health and Safety. • Progress on the roadmap to zero (carbon neutral) • Reinforced Autoclaved Aerated Concrete (RAAC) update <p>SaB made specific reference to the refurbishment of the MOST Jetty which was found to be in a worse condition than expected once fixed plates had been removed. Corrosion had been repaired, steel replaced and all areas coated with a zinc paint. All footplates had been replaced with grids to stop water pooling and further corrosion. This had increased the Jetty life for a further 15-20 years.</p> <p>Relocation of Global Distress Maritime Signalling System (GMDSS) simulator from main site to MOST would likely free up more space in the new main build.</p> <p>Re. RAAC, it was reported that College buildings had been inspected by internal staff, following DfE guidelines and to date no RAAC had been identified. This had been communicated to the DfE. MAC consulting had been commissioned to inspect all buildings where this was inconclusive following the internal inspection. This would take place September / early October 2023.</p>	

	<p>Q. How much of SaB's time goes on the New Build? It was reported that SB had recently been appointed internal project manager for the new build owing to a conflict of interest issue concerning the previous post holder.</p> <p>Q. Should the Board have any concerns moving SaB to focus on the new build? No, as all statutory issues were done alongside the H&S Manager and the other elements of the site were merely being maintained with no major projects other than the new builds.</p> <p>Q. If delays with new build occur will it impact on maintaining sites harder? With good management and organisation these matters should be able to be maintained at a good standard.</p> <p>Resolved: That the report is accepted and information acknowledged. <i>SaB left the meeting.</i></p>	
8.	<p>Learner Recruitment and Funding Update 2023-24</p> <p>This paper was to provide the committee with an update against funding allocations. Further analysis by curriculum area was being explored and was to be provided at subsequent meetings.</p> <p>The tables provided displayed performance by business unit and the curriculum was being analysed to ensure efficiencies were being made across areas where there was lower recruitment:</p> <ul style="list-style-type: none"> • The Marine School • South Tyneside College • Partner Delivery • TyneMet College (including teach out of Queen Alexandra A level provision) <p>SB highlighted that the College had taken the decision to revise the income model for learners still of school age. There were now no funded learners in this category and schools paid the College a flat fee to send learners on a full cost basis.</p> <p>Q. Biggest concern? Bringing more money in to the Adult pot at TyneMet as the College was likely to have achieved its allocation by December. Looking to have a further submission ready for February.</p> <p>LW recognised the monumental effort to reach the numbers achieved.</p> <p>Q. HE variances showing negative? Issue? No. It was directly linked to the issue around CLC and SQA raised earlier in the meeting.</p> <p>Resolved: That the report is accepted and information acknowledged. <i>SB left the meeting.</i></p>	
9.	<p>Minutes</p> <p>The minutes of the meeting held on 6 July 2023 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>	
10.	<p>Review of Committee Performance against TOR</p> <p>The purpose of the report was to provide governors with details of the performance of the Finance and Resources Committee during 2022-23.</p>	

	<p>Members of the Committee (2022-23) and Lead Officer had been asked to complete an online survey to review the Finance and Resources Committee's performance during the previous financial year.</p> <p>There were no areas identified as being either ineffective or less than satisfactory. It was reported that overall governors graded the committee's performance as 'Good- Outstanding' and this was based on a return rate of 83%. Written feedback was reported and noted.</p> <p>With regard to membership, the Committee was aware of the difficulty a new governor was having in attending meetings that were scheduled for a Tuesday in the new calendar. The Chair indicated that he was not precious about when the meetings were held provided that there was a good attendance and contribution from members. Governors indicated that movement of meetings was possible to seek a solution.</p> <p>Resolved:</p> <ul style="list-style-type: none"> i. That the report is received and acknowledged. ii. That NL is to liaise with LWh around setting alternative dates for meetings to achieve maximum attendance by governors. 	NL/LW
11.	<p>Committee Workplan 2023-24</p> <p>The Committee Workplan for the Finance and Resources Committee for the forthcoming year was presented for information and review.</p> <p>NL reminded governors of the recommendation to schedule the annual review of subcontracted provision at the June Finance & Resources Committee in light of recently released guidance from the ESFA, which outlined the requirements of governors in relation to their oversight of subcontracted provision.</p> <p>Resolved: That the Committee Workplan 2023-24 is received and accepted subject to the annual review of subcontracted provision being moved to the June committee meeting.</p>	NL
12.	<p>Chair's use of Urgent Actions</p> <p>Confidential item</p>	
13.	<p>Annual Review of Financial Regulations</p> <p>The purpose of the report was to review and agree the Financial Regulations before seeking approval to adopt them by the Board.</p> <p>The Financial Regulations had been reviewed and updated. Areas shaded blue were suggested to be incorporated into the regulations; areas shaded red were suggested to be removed from the regulations – changes were primarily to incorporate the capital de-minimis limit as outlined within the External Audit Recommendation and a small update within tendering processes and limits.</p> <p>Q. Any changes stood out? None but managers needed to understand the regulations through training/briefings.</p> <p>Resolved: That the Finance and Resources Committee agree to receive the report and recommend them to the Board for adoption.</p>	JC
14.	<p>Management Accounts and commentary</p> <p>Confidential item</p>	

<p>15.</p>	<p>Bad Debt Provision and Annual Write Off of Bad Debts</p> <p>The purpose of the report was to inform governors of movements in provision for Bad and Doubtful debts during the 2022/23 financial year.</p> <p>SC informed the committee that during the year a number of account balances totalling £4,254.84 had been written off. The written off balances were selected on the basis of being uneconomical to pursue and on advice from the college's debt collection agency. Invoices with a value lower than £1,500 could be written off by the Chief Executive under the delegated powers.</p> <p>Further to this, authorisation was requested to write off an additional £34,378.51 bad debt relating to 24 invoices in excess of £1.5k.</p> <p>The proposed provision balance for the year ending 31 July 2023 reflected outstanding invoices, predominantly with individual students, where the debts were more than 90 days overdue and where, in many cases, the pursuance of the debt had been passed on to the college's debt collection agencies.</p> <p>It was felt prudent to provide for these unpaid invoices against which full collection of sums owed might be in doubt.</p> <p>Reference was made to the College's Credit Control policy, which was monitored by the Credit Controller and had resulted in a reduction in the number of outstanding invoices with individuals.</p> <p>Q. NIMASA? Invoices were received earlier in the year but students didn't arrive until September. There was no exposure to the College as the invoice was paid in advance of the learner starting.</p> <p>The Chair stated that this report was showing an encouraging picture.</p> <p>Resolved:</p> <ol style="list-style-type: none"> i. That the Committee agree to the immediate write off for the outstanding sum of £34,378.51 as detailed on appendix C in the report. ii. That the Committee approve the year end bad debt provision balance of £41,635.07 as detailed on appendix D in the report. 	
<p>16.</p>	<p>Budget 2023-24</p> <p>Confidential item.</p>	
<p>17.</p>	<p>Approval of Contracts and Planned Expenditure in Excess of 125k</p> <p>Confidential item</p>	
<p>18.</p>	<p>Dr Winterbottom Annual Report 2022/23</p> <p>The report was to provide governors with details of the Dr. Winterbottom Charitable Fund (DWCF) results and closing balance for 2022/23 and an overview of activity in the year.</p> <p>JC highlighted the following:</p> <ul style="list-style-type: none"> • The DWCF account had an opening balance as of 01/08/22 of £23,695.35 • In year, DWCF had received other income of £650.00 (£455.00 from Charity football match, £120.00 Great North Run Sponsorship and £75.00 cash deposits). • In year, DWCF had incurred costs of £10,569.82, in the support of over 32 students. • The DWCF account had a closing balance as at 31/07/23 of £13,775.53 	

	<p>The Chair commented that there was an issue that needed to be monitored in relation to income generation for the fund as in the past there had been a significant contribution from the Student Union, which was unlikely to materialise in future years owing to the payment of salaries for the Student Presidents.</p> <p>Resolved: That the report is received and acknowledged.</p>	
19.	<p>Feedback from Business & Stakeholder Groups</p> <p>None.</p>	
20.	<p>New Build – financial implications on budget</p> <p>Confidential item</p>	
21.	<p>Any other business</p> <p>None.</p>	
22.	<p>Date and time of next meeting</p> <p>Tuesday 28 November 2023 at 4.00pm (tbc)</p>	
23.	<p>Identification Confidential Items</p> <p>Resolved: That the following items are to remain confidential:</p> <ul style="list-style-type: none"> • Item 03 - Forecast Partnership Activity 2023/24 • Item 04 – HR Report and Update on the HR Action Plan • Item 06 - Procurement and Contracts reflection paper 22/23 • Item 12 - Chair's use of Urgent Actions • Item 14 – Management Accounts and commentary • Item 16 – Budget 2023-24 • Item 17 – Approval of Contracts and Planned Expenditure in Excess of 125k • Item 20 – New Build 	

Signed: **Date:**