

## Meeting of the Finance and Resources Committee

**Venue:** STC Conference Room 1 / TEAMS  
**Date:** 30 June 2022  
**Time:** 4.00pm – 5.45pm  
**Present:** Colin Seccombe (in the Chair) (CSe)  
 Donya Urwin  
 Malcolm Grady  
 Lindsey Whiterod

**Apologies:** David Bavaird  
 Andy Walton

**In Attendance:** Jane Cuthbertson (Chief Operating Officer)  
 Neil Longstaff (Director of Governance)  
 Steve Chittenden (Head of Finance)  
 Simon Ashton (SSMS Principal)  
 Claire Pinkney (Contracts & Procurement Manager)

ITEM	ISSUES	ACTION
1.	<p><b>Apologies for Absence</b></p> <p>The Committee approved apologies for absence received from those mentioned above after having first considered the reasons for their absence.</p>	
2.	<p><b>Declarations of Interest</b></p> <p>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 LWh, MG, CSe, JC and CP.</p>	
3.	<p><b>Minutes</b></p> <p>The minutes of the meeting held on 16 March 2022 were approved and signed by the Chair.</p> <p><b>Matters arising not covered on the agenda</b></p> <p><u>3.1 Policies</u>            The committee noted that the Business Continuity report, which included the Policy, had been presented to the Board and approved. The Grievance Policy, Security Policy and the Fees Policy 2022-23 had also been presented and approved.</p> <p><u>3.2 HIVE survey</u>            Governors noted that a report on the outcomes of the HIVE survey had been presented to the Board.</p> <p><u>3.3 Learner Recruitment and Funding Update 21/22</u>            Confidential item</p> <p><u>3.4 Performance Review Outcomes</u>            Restricted Minute</p>	

<p><b>4. College HE Fees</b></p>	<p>This paper was to confirm the Higher Education (HE) Fees for 2023/2024 academic year.</p> <p>SA explained that following the Audit Report on the College’s HE Fees and taking into account the requirements of the Competition and Markets Authority (CMA), the College needed to ensure that its HE fees were fully ratified by the Board of Governors.</p> <p>In order to meet the requirements of the CMA, the College needed to ensure its HE fees were published 12 months in advance. As Tyne Coast College did not have an Access and Participation Plan approved by the Office for Students, it could only charge up to a maximum of £6165 for its own HE provision and a maximum of £9250 for its University of Sunderland provision.</p> <p>Q. Attempt to have an Access and Participation Plan? Difficult to do but there was no business case to do so.</p> <p>Responding to a question, SA explained course fees as shown in the appendices.</p> <p><b>Resolved: That the Committee agree to recommend the HE fees to the Board for approval and publication.</b></p> <p><i>SA left the meeting</i></p>	<p><b>SA</b></p>
<p><b>5. Chair’s use of Urgent Actions</b></p>	<p>The purpose of the paper was to report on the occasions where the Chair (or in his absence the Vice-Chair) had exercised urgent action since the previous meeting.</p> <p>Governors were informed of the following instances where Chair’s (Vice-Chair’s) action had been used:</p> <ul style="list-style-type: none"> <li>• Microsoft Licence Renewal</li> <li>• PC Tender</li> </ul> <p>The Chair commented that he had been content that the College had gone through a full tender exercise on these matters and received appropriate responses to make informed decisions.</p> <p><b>Resolved: That the report is received and the Chair’s urgent actions are endorsed.</b></p>	
<p><b>6. Policies</b></p>	<p>The following policies were presented to the committee for consideration:</p> <ul style="list-style-type: none"> <li>• <u>Bursary</u> The paper was to update the Finance and Resources Committee on the review of the Bursary Policy.</li> </ul> <p>It was reported that this Policy covered College bursary funding, which was designed to help support students who faced the greatest barriers to continuing in education or training post-16. The Policy outlined the College’s statutory responsibilities with regards to the administration and distribution of the fund as well as student eligibility.</p> <p>The Bursary Policy had been reviewed by the Assistant Principal and was being recommended by College Management Team.</p>	

	<ul style="list-style-type: none"> <li>• <u>Subcontracting Supply Chain Fees and Charges Policy</u> The policy outlined the supply chain fees and charges policy that was applied to all subcontracted partner provision.  The policy detailed the current rationale for subcontracting, management fee and described the quality monitoring that took place as part of the subcontracted agreement.  The amendments to this version were as follows: - Additional information included to confirm on what basis the College would use subcontractors. - Management fee information had been updated to include mandatory training that was delivered to subcontracting staff.  The Chair reminded staff to highlight the changes in policies being presented.  Q. It states for management fees that 20% shall not be exceeded. What criteria is used to identify what management fee will be applied to each sub-contractor? LWh stated that the College followed guidance issued by the ESFA.</li> <li>• <u>Treasury Management Policy</u> The policy had been reviewed and reworded. Additional areas to be included in the policy were highlighted for ease of reference.  Q. Do we invest surplus funds? No, but it might be something for the future. Q. Why not invest as we have a significant sum in the bank? Not previously been looked into but interest rates were so low there was no value in investing. It could be something that was explored further particularly as rates were starting to increase. Q. Independent advice needed? JC explained that this would be an external person/body. Q. Statutory requirement or regulatory? The Chair felt it should not be needed for matters which would need to follow a fairly straight forward process? JC was to confirm.</li> </ul> <p><b>Resolved:</b></p> <ol style="list-style-type: none"> <li><b>That the governors receive the reports and acknowledge the information provided.</b></li> <li><b>That the Committee recommend the Bursary, Subcontracting Supply Chain Fees and Charges, and the Treasury Management policies to the Board for approval.</b></li> </ol>	<p>JC</p> <p>JC/ LWh</p>
<p>7.</p>	<p><b>Human Resources Plan - 2021-22 Progress Report</b></p> <p>Confidential item</p>	
<p>8.</p>	<p><b>Tyne Coast College Financial Plan 2021-23 from ESFA – update</b></p> <p>The Finance and Resources Committee had been provided with the College Financial Forecasting Return for 2021/23, which confirmed the College financial health as being 'good' for 20/21 and 21/22.</p> <p>Previously this was an annual update however, it was now being sent out to the college twice a year with further detail provided as at April 2022</p> <p>The dashboard provided more detail to previous dashboards and showed that generally the college was performing well. The 'performance' ratio was an area that the college needed to improve and there had been a decline in this area since 2020/21. The college</p>	

	<p>had low borrowing and had enough cash generated to cover debt under the proposed new methodology.</p> <p>Q. Graph on earnings show college below benchmark but staffing costs on the benchmark suggesting that non staff costs were proportionately higher than the average. Is this the case? The Chair asked for clarification prior to/at the next meeting.</p> <p>Q. Reason for adjusted operating surplus fluctuation? Merger but JC would explore further.</p> <p><b>Resolved:</b></p> <ol style="list-style-type: none"> <li>i. That the governors agree to receive the reports.</li> <li>ii. That the COO is asked to deliver a session to all governors on the ESFA's financial dashboard to give them a greater understanding of the financial position of the College.</li> </ol>	<p>JC</p> <p>JC</p> <p>JC</p>
<b>9.</b>	<p><b>Management Accounts and commentary</b></p> <p>Confidential Item</p>	
<b>9.1</b>	<p><b>Pay Recommendation</b></p> <p>Finance and Resources Committee were reminded that a 1% pay award had been built into the budget but had not yet been released due to uncertainty of the external environment on the College's financial position throughout the academic year.</p> <p>The College was forecasting £441k, which was £288k better than the budgeted position of £729k.</p> <p>Governors' views were sought on whether to award the 1% pay rise.</p> <p><b>Resolved: That the Finance and Resources Committee agree to:</b></p> <ul style="list-style-type: none"> <li>- agree payment of the 1% salary increase backdated to 1<sup>st</sup> August 2021</li> <li>- agree that this recommendation is approved via Chair of the Boards Urgent Action to enable the deadline to be met for the July payroll and the payment is in the correct academic year.</li> </ul>	
<b>10.</b>	<p><b>Budget 2022-23 and 2 year Financial forecasts – including capital expenditure &amp; KPIs (internal and external)</b></p> <p>Confidential item</p>	
<b>11.</b>	<p><b>Student Union Budget 2022/23</b></p> <p>The purpose of the paper was to request approval for the Students' Union budget for 2022/23.</p> <p>It was proposed to continue to offer the Union a budget of £15,000, which would primarily be used to pay a salary to the Student Union President, with the remaining £1.8k being available to fund activities. This would encourage the union committee to sell NUS cards as the union would receive a percentage of the sales back and increase its available budget.</p> <p><b>Resolved: That the committee agree to recommend to the Board a budget of £15,000 for the 2022/23 academic year and any future underspend in budget is to be allocated to the Dr Winterbottom Fund to support students as a matter of course.</b></p>	<p>JC</p>

12.	<b>Approval of Contracts and Planned Expenditure in Excess of 125k</b>  Confidential item	
13.	<b>Procurement and Contracts - Annual Reflection paper</b>  Confidential item	
14.	<b>Any other business</b>  None.	
15.	<b>Date and time of next meeting</b>  To be confirmed when the annual calendar of meetings was approved by the Board.	
16.	<b>Identification Confidential Items</b>  <b>Resolved: That the following items are to remain confidential:</b> <ul style="list-style-type: none"> <li>• Item 03 – Matters arising (3.3 &amp; 3.4 restricted)</li> <li>• Item 07 – Human Resources Plan - 2021-22 Progress Report</li> <li>• Item 09 – Management Accounts and commentary</li> <li>• Item 10 – Budget 2022-23 and 2 year Financial forecasts – including capital expenditure &amp; KPIs (internal and external)</li> <li>• Item 12 – Approval of Contracts and Planned Expenditure in Excess of 125k</li> <li>• Item 13 – Procurement and Contracts - Annual Reflection paper</li> </ul>	

**Signed:** ..... **Date:** .....