

Meeting of the Finance & Resources Committee

Venue: Board Room, TyneMet College site

Date: Wednesday 21 March 2018

Time: 3.05pm – 5.25pm

Present: Colin Seccombe (in the Chair)
George Clark
Andy Walton
Lindsey Whiterod

Apologies: Malcolm Grady
Martin Hotass
Andrew Watts

In Attendance: Neil Longstaff (Director of Governance)
Helen Beaton (Deputy Chief Executive)
Andrew Grey (Project Manager - Faithful and Gould)

ITEM	ISSUES	ACTION
1.	<p>Apologies for Absences</p> <p>The Committee approved apologies for absence received from those identified above after having considered the reasons for their absence.</p>	
2.	<p>Declarations of Interest</p> <p>The Chair reminded members to declare any conflicts of interest as they arose on the agenda.</p>	
3.	<p>Capital Project Update</p> <p>Confidential item.</p>	
4.	<p>Minutes of the previous meeting</p> <p>The minutes of the meeting held on 24 January 2018 were approved and signed by the Chair.</p> <p>Matters Arising</p> <p><u>Apprenticeships</u></p> <p>Governors received a paper from Steve Chittenden (Head of Finance) showing a breakdown on apprenticeships as follows:</p> <ul style="list-style-type: none"> • How much delivery was undertaken internally against budget • How much delivery was undertaken externally against budget <p>It was noted that the percentage of external delivery of apprenticeships was falling</p>	

	<p>owing to new_funding methodologies.</p> <p>Resolved: That the information is received and acknowledged.</p>	
5.	<p>Forecast Partnership Activity 2017/18</p> <p>This report updated the Finance and Resources Committee on the planned partnership activity for 2017/18.</p> <p>HB explained that:</p> <ul style="list-style-type: none"> • 2017/18 contracts had been issued to the value of £4.3m with a predicted contribution of £907k (management fee). • Contracts to the value of £4.3m were in place with partners: £3.76m study and adult programmes and £546K of all-age apprenticeships. <p>Q. Combined tender £800k non levy? College had applied for more (£1.5m) but had been reduced to £800k as had other providers. There were other opportunities to bid for future funding.</p> <p>Q. Forecast based on £800k figure? Yes.</p> <p>A governor, although acknowledging progress was being made with formatting and presentation of reports, asked that consideration be given to producing visual information via diagrams, data dashboards etc. The Director of Governance reported that the Principal of STC was reviewing a software package which would enable such documents to be produced and presented to governors.</p> <p>Resolved: That governors:</p> <ol style="list-style-type: none"> i. Acknowledge the sub-contracting partnership details for individual sub-contractors ii. Acknowledge the 17/18 contracts value. 	
6.	<p>Business Continuity Update</p> <p>The purpose of this report was to update the committee on the operation and use of the Business Continuity Policy in 2017/18.</p> <p>It was reported that the Business Continuity Policy, which was also presented, was last utilised in January 2017 with a major power outage on the Westoe site.</p> <p>The process was not completed in the recent cross College snow closure as the management team were offsite due to travel disruptions.</p> <p>A training day on Business Continuity for the Senior Executive Group and Senior Managers been scheduled for 12th June 2018.</p> <p>Q. Internal audit report on Business Continuity? An audit report had been presented to the Audit Committee in 2015 and the implementation of management actions, which included the production of the policy, were reviewed through the Audit Tracker.</p> <p>Resolved: That governors agree to receive the report and acknowledge the information presented.</p>	

7.	<p>HR Report</p> <p>Confidential item.</p>	
8.	<p>Safeguarding Policy</p> <p>An updated Safeguarding Policy was presented for consideration.</p> <p>Changes made included an update on the named responsible officers and job titles.</p> <p>Q. Document states South Tyneside College? Two separate documents were being maintained in the short term to take account of different safeguarding arrangements in each Borough.</p> <p>Q. Prevent? Paper being taken to full Board.</p> <p>Resolved: That the revised Safeguarding Policy is recommended to the Board for approval.</p>	CD
9.	<p>Annual Pay Review</p> <p>Confidential item.</p>	
10.	<p>Management Accounts to 28.02.18 (including capital expenditure)</p> <p>Confidential item.</p>	
11.	<p>Funding allocation</p> <p>Confidential item.</p>	
12.	<p>Fee Policy 2018-19</p> <p>Governors were presented with a fees policy as required by the College's funding contract.</p> <p>Only minor changes had been made to the policy in terms of job titles etc. and the recommended rates had been increased in line with inflation but these were subject to monitoring what competitors were charging.</p> <p>Resolved: That the Fee Policy 2018-19 is approved.</p>	
13.	<p>Approval of contracts in excess of £125k</p> <p>Confidential item.</p>	
14.	<p>Any other business</p> <p><u>14.1 VAT</u></p> <p>HB made governors aware of potential additional costs for sub-contracting work as it had been suggested by the Government that management costs should be subject to VAT.</p>	

	<p>However, further enquiries had revealed that it might not be the full management element, only value added activity such as additional services.</p> <p>KPMG had been commissioned to give a view on this.</p> <p>Q. External advice sought? Advice was regularly sought on VAT matters.</p> <p><u>14.2 PAYE Audit</u></p> <p>HMRC had queried the tax treatment on redundancy payments. This was a potential cost to the College, which could be significant but the College was waiting for the detailed report.</p> <p><u>14.3 Catering contract</u></p> <p>HB asked governors to contact her if they wished to be involved in the tender selection process on 27 April 2018.</p>	
<p>15.</p>	<p>Date of next meeting</p> <p>The next meeting of the Committee was scheduled for Wednesday 27 June 2018 at 4.00pm.</p>	
<p>16.</p>	<p>Identification of Confidential Items</p> <p>Resolved: That the following items are to remain confidential:</p> <ul style="list-style-type: none"> • Item 3 - Capital Project Update • Item 7 - HR Report • Item 9 - Annual Pay Review • Item 10 - Management Accounts • Item 11 - Funding allocation • Item 13 - Approval of Contracts and Planned Expenditure in Excess of £125k 	

Signed:

Date: