



Agenda No: 04

Finance & General Purposes Committee – Main Minutes

Friday 24 May 2024 – 11am to 12.30pm

Gateshead College Boardroom

Committee Members	Type	Initials	Attendance	Apologies
Martin Hedley	Chair / Independent Corporation Member	MH	X	
David Alexander	Principal / CEO Corporation Member	DA	X	
Darren Curry	Independent Corporation Member	DCu		X
David Brind	Independent Corporation Member	DB		X
Victoria Beattie	Co-opted Governor	VB	X	
Sarah McCourt	Co-opted Governor	SMc	X	
Chris Forster	Co-opted Governor	CF	X	
Michael Wood-Williams	Temporarily co-opted Corporation Member	MWW	X	
Lisa Crichton-Jones	Temporarily co-opted Corporation Member	LCJ	X*	
Clerk				
Nicola Taylor	Director of Governance & Compliance	NT	X	
Attendees				
Chris Toon	Deputy Principal: Curriculum & Quality	CT	X	
Ivan Jepson	Director of Business Development & Innovation	IJ	X	
Nadine Hudspeth	Director of Brand & Learner Experience	NH	X	
David Keetley	Financial Controller	DK	X	
Josh Clark	Senior Procurement Officer	JC	X	
Katy Clark	Head of Marketing	KC	X^	
Mark Tinnion	External Consultant	MT	X^	

*Attended via Teams / ^Attended for part of the meeting.

F/245 1. Chair's welcome, apologies, conflicts of interest

The Chair opened the meeting and welcomed the attendees. The Chair made specific welcome to the three newly appointed co-opted governors. Introductions took place.

Apologies were noted from DB and DC. Approval had been sought in advance of the meeting to temporarily co-opt MWW and LCJ to ensure compliance with the Committee's Terms of Reference. The Committee **agreed** that the meeting was quorate.

There were no conflicts of interest declared. Members were reminded to declare any conflicts that arose during the meeting.

F/246 2. Minutes of the last meeting dated 1 March 2024

A) Main meeting minutes

The Committee **reviewed** the main minutes from the previous meeting and **agreed** that they were a true and accurate account of the meeting.

B) Confidential meeting minutes

The Committee **reviewed** the confidential minutes from the previous meeting and **agreed** that they were a true and accurate account of the meeting.

The minutes were approved.

F/247 3. Matters Arising / Action Log

A) Action Log

The action log was presented, with all but one action completed which remained as ongoing.

B) Electronic Approvals

It was noted that the Committee had electronically approved two tenders via electronic means in between meetings. One was for the PV on the College car park at the Baltic Campus and one for was the College's Wi-Fi.

The action log was noted.

F/248 4. Strategy Updates

NH presented the report which provided the following updates in relation to the development of the Sustainability and Brand strategies.

In relation to the Sustainability Strategy:

- A Green Steering Group meeting had taken place in the previous week and was attended by Sustainability Link Governor (DB).
- A report was expected to help establish a set of baseline metrics to inform the College's Carbon Reduction Plan, a key aspect of the strategy.
- The College were looking to host a carbon reduction workshop with key staff in the 2023/24 academic year, which governors would be invited to attend. The College were also hoping to secure attendance from Gateshead

Council sustainability team, the North East Combined Authority (NECA) and Net Zero North East.

- The Sustainability Strategy was expected to be presented to the Committee in the Autumn Term 2024.

The Committee queried the following:

- College engagement with the North East Combined Authority – it was noted that Net Zero North East was bringing together organisations from the public and private sector however no other colleges had been involved to date. Gateshead College had recently launched a new sustainability apprenticeship (Corporate Responsibility and Sustainability Practitioner) and representatives from the North East Combined Authority attended the launch which was helping to strengthen working relationships.

In relation to the Brand Strategy:

- A significant research project had been undertaken to underpin the development of the strategy to ensure relevant and appropriate priorities and objectives could be set. This research targeted young people, adult and employer segments.
- The research phase had been extended beyond the initial timeframe to enable the College to gather a sufficiently representative sample of employers and adults. This meant that the strategy was delayed slightly to allow this work to complete.

KC and MT provided a presentation which covered the process of the research, the brand management process, and learning outputs.

The Committee discussed and queried the following:

- The positive approach of investing time and effort into researching rich data.
- Tracking of data over time – it was confirmed that there wasn't comparable data to track trends over time however this would be considered in future years. However, the ethos of employment edge came through strongly as part of the research.
- The diligence of the presentation and the clarity of the process provided the Committee with a good level of assurance.

NH noted that the next phases of the research would provide findings from adults and employers. The College were working with the North East Automotive Alliance (NEAA), the organisation leading on the North East Local Skills Improvement Plan (NELSIP), to carry out further research.

The Committee thanked KC and MT for the presentation.

The Committee noted the interdependencies between the College strategies underpinning the College Strategic Plan, specifically the People Strategy in terms of why people want and choose to work at Gateshead College and staff retention. It was noted that attraction and retention were key priorities and a focus as part of business planning. NH noted that there was also a focus on the employer brand as part of this work.

NH offered the Committee the opportunity to further discuss the contents of the presentation and findings outside of the meeting. **Action: Committee members to**

contact NH if they would like to further discuss the contents of the presentation / research findings.

The report was noted.

KC and MT left the meeting.

F/249 5. Remodelling Works: Science Laboratories and New Digital Hub – tender summary and recommendation

IJ presented the report which sought committee approval of the tender recommendation for the remodelling works of the Science Laboratories and new Digital Hub. This was being funded by Local Skills Improvement Fund (LSIF) funding and Higher Technical Qualification (HTQ) funding. The work was to be carried out in the summer period, ready for September 2024.

The Committee discussed and queried the following:

- If the recommended organisation were known to the College – it was confirmed that the organisation weren't known to the College, however were known to the professional services teams involved in the projects.
- Timescales and a commitment to complete the works within the summer period, the Committee noted that the report suggested that the Facilities Team would take responsibility for delays however this may be outside of their control. The Committee **suggested** that the contract of works included a contractual timeline. **Action: Executive to consider contractual timelines for completion of work.**
- Potential disruption at the start of the new academic year – it was confirmed that a vast amount of work was to be undertaken within the summer period and there were mitigations in place to manage this.

The Committee approved the tender recommendation.

The report was approved.

F/250 6. Finance Report

DK presented the report which covered the following:

- College's Financial Health for 2022/2023
- March 2024 Management Accounts
- Committee KPIs
- Procurement Law Changes.

DK highlighted the following:

- The College received confirmation from the ESFA setting out the confirmed financial health as outstanding for 2022/2023. DK highlighted the ESFA financial dashboard for the Committee's attention.
- The management accounts for March 2024 showed stable finances with no changes to the expected year end surplus. Cash balances were healthy. The partial loan repayment was made in April 2024 and so not factored into

the figures presented. Additional capital investment was being made. The financial health rating was forecast to be Good.

- Although growth hadn't been a target for the College, turnover had increased by 23% over the past 3 years by focusing on meeting employer skills needs rather than simply focusing on growth.

The Committee discussed and queried the following:

- How the College would achieve outstanding financial health – it was confirmed that the College weren't seeking to achieve outstanding financial health as were not looking to generate cash and instead looking to reinvest cash into the student experience.
- Consideration of the number of cash days – it was noted that this would continue to be monitored to ensure flexibility whilst also ensuring additional surplus was being invested into the student experience.
- Whether the College had a pipeline of future capital projects – it was confirmed that the College were developing a 5 year pipeline, and some projects planned for 2024/2025 were being brought forward to ensure learners were able to benefit from this from September 2024.

The Chair noted that previous discussions regarding the loan repayment considered differing amounts and these options would continue to be considered whilst maintaining good financial health.

The report was noted and the Management Accounts were approved for presentation to the Board.

F/251 7. Budget 2024/2025 Preparations

DK presented the report which covered an update on the progress of creating the budget for 2024/2025 which would be provided at the June FGP meeting.

The paper provided assurance of the rigorous process with links with curriculum and business planning.

DK noted that there was still work to be done, however generating a surplus was expected to be more challenging for 2024/2025. DK provided the Committee with an outline of additional costs for 2024/2025 which included; an increase of 16-18 learners where funding was lagged to 2025/2026, an increase in teacher pension contributions, the full impact of the College pay award which became effective in January 2024, and additional learners with additional needs.

DK provided assurances of healthy cash balances, good financial health, and an investment in capital.

The Committee **queried** if the College had capacity for additional learners and it was confirmed there was.

Covered under a confidential minute.

The report was noted.

F/252 8. Pensions Annual Report 2023/2024

DK presented the report and noted that this provided a summary of the two pension schemes relating to the College staff; the Teachers Pensions Scheme (TPS) and the Local Government Pension Scheme (LGPS).

It was noted that the membership rate for the LGPS had dropped slightly however there was no particular pattern or trend. The Committee **queried** whether this could be due to the cost-of-living crisis, and it was agreed that this could be a possibility. It was **agreed** for DK to find out further information regarding membership and pay grades of those choosing to opt out of the scheme. It was noted that this was potentially something to consider at the People Committee.

Action: JC/DK to find out further information regarding membership opt out of LGPS.

DK noted that there was a 3-year auto enrolment and therefore staff would need to continue to opt out if it was their wish to do so.

DK highlighted the increasing employer costs. The Committee **noted** the impact of pension contributions on the payroll budget.

The Committee **queried** if there was any information on future increases based on the triannual assessments, however it was noted that it was too early to say.

It was noted that JC was an employer representative on the Tyne & Wear Local Government Pension Scheme Pension Committee.

The report was noted.

F/253 9. Payroll Internal Audit Report

DK presented the report for information following submission to the Audit Committee. The report outcome was strong assurance with 7 areas of good practice and 3 recommendations. Actions to address the recommendations were in progress.

The report was noted.

F/254 10. Strategic Risk Register

IJ presented the report and highlighted that:

- Additional items had been added to the horizon scanning element of the register since the April 2024 Board meeting, this included barriers to learning and succession planning of key roles.
- The College continued to review risks regularly, as well as consider items for horizon scanning.

The Committee **queried** the testing outcomes of risks relating to IT infrastructure and cyber security. It was suggested that this would provide the committee with assurance of the risk scoring. It was agreed that this could be provided in a summarised form, however noted it was difficult to ensure continuous protection against cyber security due to constant technological advancements. It was noted that both links linked with the Digital Strategy and the Digital Steering Group was in place which was attended by the Digital Link Governor (DC) who could provide additional assurance to the Committee.

Action: JC / CT to add summary results / further details of testing relating to risk 8 (IT infrastructure) and risk 9 (cyber security).

The report was noted.

F/255 11. Any Other Business

N/A

F/256 12. Date of the next meeting

The date of the next meeting was confirmed as Friday 21 June 2024 at 9am.