



**Agenda No: 04**

**Finance & General Purposes Committee – Main Minutes**

**Friday 23 May 2025 – 9.00-11.00am**

**Gateshead College Boardroom**

<b>Committee Members</b>	<b>Type</b>	<b>Initials</b>	<b>Attendance</b>	<b>Apologies</b>
Martin Hedley	Chair / Independent Corporation Member	MH	X	
David Brind	Independent Corporation Member - Chair for this meeting	DB	X	
David Alexander	Principal / CEO Corporation Member	DA	X	
Darren Curry	Independent Corporation Member	DC		X
Dan Wallace	Staff Governor	DW		X
Victoria Beattie	Co-opted Governor	VB		X
Sarah McCourt	Co-opted Governor	SMc	X	
Chris Forster	Co-opted Governor	CF		X
<b>Clerk</b>				
Nicola Taylor	Director of Governance & Compliance	NT	X	
<b>Attendees</b>				
Sarah Judson	Deputy Principal Finance & Resources	SJ	X	
Ivan Jepson	Director of Business Development & Innovation	IJ	X^	
David Keetley	Financial Controller	DK	X^	

^Attended for part of the meeting.

**F/304 1. Chair's welcome, apologies, conflicts of interest**

The Chair opened the meeting and welcomed the attendees.

Apologies were received from DC, DW, VB and CF. 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/305 2. Minutes of the last meeting dated 14 March 2025**

- A) The Committee **reviewed** the main minutes from the 14 March 2025 and **agreed** that they were a true and accurate account of the meeting.
- B) The Committee **reviewed** the confidential minutes from the 14 March 2025 and **agreed** that they were a true and accurate account of the meeting.
- B) The Committee **reviewed** the confidential minutes from the closed session on 14 March 2025 and **agreed** that they were a true and accurate account of the meeting.

***The Finance and General Purposes Committee approved the minutes.***

**F/306 3. Matters Arising / Action Log**

NT presented the action log and provided the following updates:

- SJ would meet with VB to discuss the ongoing development of the Estates Strategy. This would remain an ongoing action until completed.
- CT would be feeding back to the Committee following the next Digital Steering Group on the level of business continuity planning in relation to Cyber and the outcome of the internal phishing simulation. This would remain an ongoing action until completed.
- The energy KPI agreed at the last FGP meeting was agreed for presentation at Board level however the data wouldn't be available until the financial year-end. This would remain an ongoing action until completed.
- SC was awaiting further legal advice relating to the estates lease related actions. This would remain an ongoing action until completed.
- All other actions had been closed or completed as reported.

DA noted that the College Facilities Manager was retiring and would be leaving the College on 1 August 2025. The Committee **noted** the work undertaken and the positive maintenance and changes undertaken in relation to the College estate during his tenure.

*Covered under a confidential minute.*

It was confirmed that the College's cyber insurance had recently been renewed, and this had been reviewed by the Deputy Principal Finance & Resources and the Head of IT to ensure it remained fit for purpose.

***The Finance and General Purposes Committee noted the report.***

**F/307 4. Strategic Risk Register**

NT presented the report. SJ confirmed that she, along with the Principal and Head of Facilities, had met with GLL, the new operator of Gateshead International Stadium to understand their vision for the site, which largely focussed on a commitment to the community.

The Committee **discussed** and **queried** the following:

- The likelihood of changes to DfE/FE Commissioner financial ratings for the sector following the ONS reclassification change that would see colleges being fully part of central government from 1 August 2025. *Covered under a confidential minute.*

- Implications of the FE and HE Statements of Recommended Practice (SORP) which would have an effective date of 1 January 2026 and mean adoption for the 2026/27 financial year – SJ noted that the DfE had been contacted for further information and the potential impact on financial health ratios and bank covenants. The Committee **noted** the need to account on this basis from 2026/2027.

***The Finance and General Purposes Committee noted the report.***

## **F/308 5. Interim Deputy Principal Finance and Resources – First Reflections**

*Covered under a confidential minute.*

***The Finance and General Purposes Committee noted the report.***

## **F/309 6. Finance Report**

*IJ and DK joined the meeting.*

SJ presented the report, setting out the following:

- A summary of the financial position as at 31 March 2025, risk and opportunities, and the simplified sensitivity analysis.
- The key assumptions included within the report, however since the publication of the paper several funding announcements had been made which the College would now need to review and take forward as part of the April 2025 Management Accounts. The announcements included confirmation of funding for the Employers National Insurance Contributions (NIC) increase. The College had assumed 60% funding and therefore this was positive.

The Committee **queried** if there was an ongoing commitment to cover the NIC increase however the level of detail provided by the DfE at this stage did not outline the funding position for this beyond March 2026.

- *Covered under a confidential minute.*
- A further skills bootcamp contract award had been made to the College by the North East Combined Authority, with the outcome of another awaited.
- There had been no further capital expenditure since the last report with all projects completed. The College had received £1.7m grant funding for capital to be applied over a 3-year period from April 2025 and the College were considering what this could be used for. The need to consider the necessary investment in digital infrastructure was noted.
- Following the recent DfE funding announcements it was confirmed the financial health outturn forecast for the College for 2024/2025 remained as 'Good'.

SJ noted that the College Reserves Policy was subject to review and a discussion took place on the policy of ensuring cash balances of 31 days were maintained at all times, and the current FEC benchmark of >25 days. The Committee **supported** that cash balances were to be 31 days at all times at month end rather than in month, subject to ensuring this was not the high point in any month. It was confirmed that the month-end cash balances was not the high point and that this position would be stated in the revised Reserves Policy for FGP and Board recommendation and approval.

**Action: SJ to revise the College Reserves Policy to ensuring 31 cash days at all times at the month end point and for this to be brought back to the June FGP meeting for recommendation for Board approval (July 2025).**

SJ noted that a review of the management accounts pack was going to take place, ensuring that the information remained relevant, understandable and digestible for all governors and readers.

***The Finance & General Purposes Committee noted the report and approved the March 2025 Management Accounts for presentation to the Board.***

## **F/310 7. Pensions Annual Report**

SJ presented the report highlighting the following:

- The College had two main schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS).
- The LGPS triennial evaluation was taking place with the outcome expected in November / December 2025. At this stage the assumption was there would be no change to employer contribution rates, however this would be kept under review and should there be an increase it was hoped this would be funded by Government going forward given the pension guarantee they had provided for the sector as a result of ONS reclassification.
- The College had explored areas where there were lower levels of uptake in the pension schemes, and this tended to be in estates / facilities.

In discussion it was suggested the College could explore a further NEST scheme being put in place to possibly provide an option for those not contributing to other schemes currently in place.

**Action: SJ / ET to consider exploration of an alternative pension scheme going forward, to ensure accessibility and support for all employees (May 2026).**

- The College's External Auditors were currently carrying out the Teachers' Pension Certificate ahead of the 31 May 2025 deadline.

***The Finance and General Purposes Committee noted the report.***

## **F/311 8. Budget Preparations for 2025/2026**

SJ presented the report highlighting the following:

- The budget had been modelled internally aligning to the College's corporation planning process.
- *Majority of this item covered under a confidential minute.*
- As required by the DfE, the College were also pulling together the College Financial Forecasting Return (CFFR) for 2026/2027.

The Committee **supported** the College to accommodate 16-18 full time learner growth in 2025/26 to ensure opportunities were offered to all. DA confirmed that the Chair of the Board also supported this.

*Covered under a confidential minute.*

The Committee **thanked** SJ for the clarity of the report and **supported** the budgeting approach.

***The Finance and General Purposes Committee noted the report.***

**F/312 9. Proposed Terms of Reference 2025/2026**

NT presented the report and noted that for 2025/2026, only minor housekeeping amends were suggested which did not materially impact the context of the document.

The Committee **recommended** the Terms of Reference for 2025/2026 for Board approval.

**Action: NT to reorder the proposed Finance & General Purposes Committee Terms of Reference for 2025/2026 and submit for Board approval (July 2025).**

***The Terms of Reference 2025/2026 were recommended.***

**F/313 10. Any Other Business**

N/A

**F/314 11. Date of the next meeting**

The date of the next meeting was confirmed as Friday 20 June 2025 at 9.00am.