

1. This Agreement is made under section 105 of the Education Reform Act 1988 ("ERA") between the Secretary of State for Education and Science (hereafter "the Secretary of State") and Emmanuel College, the Tyneside City Technology College (hereafter "the CTC"). The CTC is a charitable company incorporated in England and Wales, limited by guarantee with registered no 2461391.

2. (a) The following expressions used in this Agreement have the respective meanings assigned to them by the numbered paragraphs of this Agreement referred to immediately after the reference to the expressions -

"admissions number" - paragraph 37;  
"annual letter of funding" - paragraph 16;  
"APG" - paragraphs 10 and 11;  
"capital expenditure" - paragraph 7a;  
"the College" - paragraph 4;  
"current expenditure" - paragraph 7b;  
"EAG" - paragraphs 10 and 14;  
"ERA" - paragraph 1; and  
"financial year" - paragraph 17.

(b) "LEA" means local education authority.

(c) A reference in the Agreement to a numbered paragraph or Annex is a reference to the paragraph or Annex of this Agreement bearing that number.

3. Section 105(1) of ERA states that -

"(1) The Secretary of State may enter into an agreement with any person under which -

(a) that person undertakes to establish and maintain, and to carry on or provide for the carrying on of

either -

(i) an independent school to be known as a city technology college; or

(ii) an independent school to be known as a city college for the technology of the arts;

and having (in each case) such characteristics as are specified in the agreement and in subsection (2) below; and

(b) the Secretary of State agrees to make payments to that person in consideration of those undertakings."

4. In consideration of the CTC undertaking to establish and maintain, and to carry on or provide for the carrying on, of an independent school to be known as Emmanuel College, the Tyneside City Technology College ("the College") and having such characteristics as are referred to in paragraph 5, the Secretary of State agrees to make payments to the CTC in accordance with the conditions and requirements set out in this Agreement.

#### CHARACTERISTICS OF A CTC

5. The characteristics of a CTC including those set down in section 105(2) of ERA are that the school:

(a) is situated in an urban area;

(b) provides education for pupils of different abilities who have attained the age of eleven years but not the age of nineteen years at the start of the academic year their course commences and who are wholly or mainly drawn from the area in which the school is situated;

(c) has a broad curriculum with an emphasis -

(i) in the case of a school to be known as a city technology college, on science and technology; or

(ii) in the case of a school to be known as a city college for the technology of the arts, on technology in its application to the performing and creative arts;

(d) does not charge fees except as permitted by paragraphs 21 and 22; and

(e) is funded by the Secretary of State under section 105 of ERA.

#### GRANTS TO BE PAID BY THE SECRETARY OF STATE

6. The Secretary of State shall pay grant under this Agreement towards capital and current expenditure.

7. In this Agreement -

a) "capital expenditure" means expenditure on:

- i. the acquisition of land and buildings;
- ii. the erection, enlargement, improvement or demolition of any building including any fixed plant, installation, wall, fence or other structure, or any playground or hard standing;
- iii. the installation of electrical, mechanical and other services;
- iv. the purchase of vehicles and other self-propelled mechanical equipment;
- v. the provision of equipment and furnishings including computers, networking for computers and equipment for information technology, other than where these are

provided in the course of periodic maintenance;

- vi. the provision and equipping of premises, including playing fields and other facilities for social activities and physical recreation;
- vii. works of a permanent character other than the purchase or replacement of minor day-to-day items of capital equipment of any class or description referred to in Annex 1;
- viii. major repairs or replacements as described in the annual letter of funding;
- ix. such other items (whether of a like or dissimilar nature to any of the foregoing) of a substantial or enduring nature as the Secretary of State may agree shall constitute capital expenditure for the purposes of this Agreement;
- x. all professional fees properly and reasonably incurred in connection with the provision of the above; and
- xi. VAT payable on any of the above.

and "capital grant" means grant paid under this Agreement in respect of such expenditure. Where the CTC has acquired assets for a nil consideration or at an under-value, it shall be treated for the purpose of this Agreement as having incurred expenditure equal to the market value of that asset at the time that it was acquired.

b) "Current expenditure" means any expenditure on the administration, conduct and maintenance of the College which does not fall within the categories of capital expenditure as defined in paragraph 7a.

#### Capital Expenditure

8. The Secretary of State and the CTC hereby agree that:

- i. Any capital expenditure made by the Secretary of State or by or on behalf of the CTC (whether before or after its incorporation) prior to the date of this Agreement for the purposes of or in connection with the establishment or maintenance of the College shall be deemed for all purposes to have been made under this Agreement.
- ii. the amount of the capital expenditure necessary to establish the College shall not exceed £8.609m at outturn prices ("the cash limit"). This includes the capitalised cost of acquiring the leasehold or the capital cost of acquiring the freehold interest in the site, the erection of any new buildings, any renovations required to existing buildings, including repairs, the provision of an initial stock of furniture and equipment, including equipment for the purposes of information technology, professional fees and VAT;
- iii. up to the sum of £8.609m figure as in 8ii the Secretary of State will bear 80% of these costs and the CTC 20%.
- iv. the arrangements (including timing) for payments of the costs shall be as provided in Annex 2.
- v. if the costs finally incurred for the purposes set out in paragraph 8ii above are less than £8.609m the share of the actual costs will be divided between the Secretary of State and the CTC in the same proportions as indicated in paragraph 8iii;
- vi. if the costs incurred for the purposes set out in paragraph 8ii exceed £8.609m, these additional costs shall be the responsibility of the CTC, except that the Secretary of State shall contribute

- (a) up to 80% of any necessary additional costs the need for which could not reasonably have been foreseen at the time the cash limit was set;
- (b) such percentage as may be agreed between the parties of any other additional costs which the parties agree should be incurred.

9. Any capital expenditure (other than expenditure by the CTC under paragraph 8vi) during the life of this Agreement beyond the cash limit referred to in paragraph 8ii on which grant payments are sought from the Secretary of State will require the specific approval of the Secretary of State not to be unreasonably withheld. Unless the CTC undertakes to meet such capital costs entirely itself such approved costs as are incurred will be shared in a proportion to be agreed between the Secretary of State and the CTC in relation to, and having regard to the nature of, each such capital project, but the proportion contributed by the Secretary of State will not be expected to exceed the proportion mentioned in paragraph 8 iii save that any capital expenditure required in order to meet the requirements of legislation enacted or made after the date of this Agreement shall be funded at least to the first percentage referred to in paragraph 8iii by the Secretary of State.

#### Current Expenditure

10. Payments by the Secretary of State under this Agreement towards current expenditure will be in two separate and distinct grants: Annual Per Capita grant (APG) and Earmarked Annual Grant (EAG).

#### Annual Per Capita Grant

11. (a) APG will be paid for normal running costs including salaries and related costs, overheads, repairs and maintenance, insurance and all those costs not met from EAG. Subject to sub-paragraph (b) below and paragraphs 12, 13 and 37, APG for each College year (see paragraph 17) of the CTC will be based on units of calculation for that year derived from an average of expenditure by LEAs on secondary schools located in urban areas which are similar to those in which CTCs are located. The units of calculation will be multiplied by the forecast number of registered pupils at the College, as indicated through the information supplied by the CTC in its draft budget (see paragraph 29) on proposed pupil numbers as approved by the Secretary of State (see paragraph 37). The budget may be subject to adjustment to the extent that actual pupil numbers are lower. The basis of the APG calculation, including any annual repricing which may be necessary, will be set out in the annual letter of funding.
  - (b) In the case of a College situated within a radius of 25 miles from the statue of King Charles II in Trafalgar Square, the units of calculation will be adjusted so far as the Secretary of State considers necessary to make allowance for the higher cost of operations in the London area.
12. The Secretary of State recognises that,
    - (a) in relation to CTCs which open with intakes representing only a proportion of the final planned size of the College, payments based simply upon the number of pupils present are unlikely to be sufficient to meet the College's needs in the years before all age groups are present at their planned size (the "start-up period") because of diseconomies of scale. The Secretary of State undertakes to pay an appropriately larger APG in the start-up period than would be

justified solely on the basis of the methods set out in paragraph 11, in order to enable the College to operate effectively. The method by which this addition to APG is to be calculated will be explained in the annual letter of funding (see paragraphs 15-17); and

- (b) in relation to CTCs which open with pupils transferred from a maintained or voluntary school which has closed, additional APG resources will be required in so far as it is necessary to offer a dual curriculum.

13. The Secretary of State also recognises that if he serves notice of intention to terminate this Agreement under paragraph 50 the intake of new pupils during the 7 year notice period is likely to decline and that here again payments based simply upon the number of pupils attending the College are unlikely to be sufficient to meet the College's needs during the notice period. The Secretary of State undertakes to pay an appropriately larger APG in the notice period than would be justified solely on the basis of the methods set out in paragraph 11, in order to enable the College to operate effectively.

#### Earmarked Annual Grant

14. EAG shall be paid, on a basis to be agreed in each case, for the following purposes:

- i. during the start-up period (as defined in paragraph 12) only, to enable a basic stock of library books, text books, courseware, stationery, and other consumable materials to be purchased; and to enable costs associated with the recruitment and induction of additional teaching staff to be met. Thereafter the cost of replacing these items will be met through APG;
- ii. to provide for staff development, including in-service training and curriculum development;
- iii. to meet the costs of providing meals for pupils;



- iv. to provide for discretionary grants to pupils to meet the cost of pupil support;
- v. to meet the cost of providing software and courseware for the incorporation and exploitation of information technology throughout the curriculum and in the College's administration; and
- vi. to meet the costs of such other matters as may be agreed.

15. EAG shall be spent only for the purposes for which it is paid. These purposes shall be set out in the annual letter of funding. The basis on which bids shall be made for EAG, and the principles on which they shall be paid shall be set out in a letter inviting bids sent to the CTC 7 months prior to the College's financial year as defined in paragraph 17.

#### Arrangements for payment

16. The amounts of APG, EAG and grants in respect of capital expenditure will be determined annually by the Secretary of State and notified to the CTC in a funding letter not later than 1 April (5 months prior to the College's financial year as defined in paragraph 17). The CTC will also be notified each year of the Secretary of State's determination of the grant figures which, subject to Parliamentary approval, are planned for the following two such financial years, and of the assumptions and figures on which these are based. Any amounts so determined, and in particular the planned levels of grant for the two subsequent such financial years will be reviewed annually taking account of changes in pay and price assumptions and circumstances affecting the individual institutions. Before the annual letter of funding is sent the Secretary of State will consult the CTC on all the matters concerning it. The references to Parliamentary approval in this and the following paragraph relate to planned or indicative figures and do not qualify or reduce the Secretary of State's obligation to pay APG on the basis indicated in paragraph

11.

17. For the purpose of this Agreement, the College's financial year shall be deemed to run from 1 September to 31 August (ie. the College's educational year). The Secretary of State undertakes to pay APG in monthly instalments on or before the twenty fifth day of each month, each such instalment to fund the salaries and other payroll costs for the relevant month of all monthly paid employees and all other costs payable during the next following month. The arrangements for payment will be set out in the annual letter of funding. EAG will be paid in response to bids submitted by the CTC. Because the CTC budget is drawn up on an educational year basis, the Secretary of State undertakes to provide indicative grant figures for the period of the educational year falling outside of the Department of Education and Science's financial year, April to March. These indicative figures are subject to Parliamentary approval of the vote estimates. The Secretary of State undertakes to confirm figures when Parliament has approved the vote estimates, providing adjustments as necessary to the indicative grant figures in consultation with the CTC.

18. Grants in respect of agreed capital expenditure will be paid within ten working days of the receipt of the architect's certificates or other invoices where applicable.

#### CONDITIONS OF GRANT

19. Section 105(3) of ERA states -

"(3) An agreement under this section shall make any payments by the Secretary of State dependent on the fulfilment of:

- (a) conditions and requirements imposed for the purpose of securing that no charge is made in respect of admission to the school or, subject to such exceptions as may be specified in the agreement, in respect of education provided at the school; and

- (b) such other conditions and requirements with respect to the school as are specified in the agreement."

20. Conditions and requirements relating to charges are contained in paragraphs 21 and 22. Other conditions and requirements of grant are set out in paragraphs 23 onwards.

### Charges

#### General

21. Sections 106-110, 117 and 118 of ERA shall be deemed to apply to the College with the following modifications:

- i. references to any maintained school shall be treated as references to the College;
- ii. references to registered pupils shall be treated as references to registered pupils at the College;
- iii. references to the governing body or the local education authority shall, in each case, be treated as references to the governing body of the College;
- iv. the charging and remissions policies required to be determined under section 110, and any amendment thereto, shall require the approval of the Secretary of State; and
- v. references to education provided at grant-maintained schools in pursuance of arrangements made under section 57(5), being irrelevant, shall be disregarded.

22. The CTC may charge persons who are not registered pupils at the College for education provided or for facilities used by them at the College.

23. The College shall be conducted in accordance with:

- i. the Scheme of Government agreed with the Secretary of State;
- ii. any relevant legal requirement including, in particular, section 22 of the Sex Discrimination Act 1975, section 17 of the Race Relations Act 1976, the Health and Safety at Work etc Act 1974, and section 47 of the Education (No 2) Act 1986.

The CTC shall have due regard to the need to promote equality of opportunity and good relations between persons of different racial groups.

24. (A) Any payment of capital grant expressed to be made for the purpose of defraying the capital expenditure set out in paragraphs 6, 7, 8 and 9 is subject to the fulfilment by the CTC of the following conditions namely:

- i. That such grants are used to provide the accommodation, specified in the Schedule to Annex 2 to standards set by the Secretary of State; or to defray other capital expenditure approved by the Secretary of State.
- ii. The sale, or disposal by other means, or reinvestment of proceeds from the disposal, of an asset for which capital grant in excess of £5,000, or such higher figure as may from time to time be agreed, was paid shall require the approval of the Secretary of State such approval not to be unreasonably withheld or delayed. Furthermore, reinvestment exceeding £1m or with other special features will be subject to Parliamentary approval.
- iii. In the event, during the period of this Agreement, of the sale, or disposal by other means, of any asset for which capital grant of whatever amount was paid, the CTC shall, if it does not reinvest as aforesaid, repay

to the Secretary of State the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State; and

- iv. Subject to subparagraph (B) below, upon the termination of this Agreement whether as a result of the Secretary of State serving notice of termination under paragraph 50, 57 or 59, or of the CTC serving notice of termination under paragraph 60, the CTC shall repay to the Secretary of State sums determined by reference to:
    - (a) the value at that time of the College's site and premises and other assets held for the purposes of the College; and
    - (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under this Agreement.
- (B) i In so far as it is necessary for the CTC, in order to meet all or part of its obligation to the Secretary of State under subparagraph (A)iv above, to dispose of any of its assets, it shall use its best endeavours to effect such disposal as soon as may be after the termination of this Agreement.
- ii Any such assets not sold within 6 months after the termination of this Agreement may be transferred to the Secretary of State, if he so consents in writing, and on such transfer the Secretary of State shall pay to the CTC sums determined by reference to the matters set out in subparagraph (A)iv(a) and (b) above.
  - iii To the extent that the CTC is able to meet any part of its obligation to the Secretary of State under subparagraph (A)iv above without disposing of assets, this subparagraph shall not operate to extend the period of time for payment in respect of that part.

25. In determining the value of the College's site and premises and other assets held for the purposes of the College, the Secretary of State shall have regard to the advice of the District Valuer regarding their market value provided always that if on or within 6 months of termination:

- (a) any assets are sold on the open market their value for the purpose of paragraph 24 (A)iv (a) shall be deemed to be the price at which they are sold;
- (b) arrangements are made for all or any of the assets of the CTC to be acquired by one or more LEA's, the value of any such asset shall be deemed to be the value at which it is acquired from the CTC by the LEA or LEA's;
- (c) any assets are compulsorily acquired or appropriated for less than market value, the compensation paid for such assets shall be deemed to be their market value.

#### Financial and Accounting Requirements

26. Any payment of grant by the Secretary of State is subject to his being satisfied as to the fulfilment by the CTC of the following conditions:

- i. that the financial and other controls applied by the CTC in conducting the College conform with the requirements both of propriety and of good financial management;
- ii. that arrangements have been made to maintain proper accounting records and that statements of income and expenditure and balance sheets may be produced in such form and frequency as the Secretary of State may from time to time reasonably direct;
- iii. that such financial statements are published at the end of each financial year (as defined in paragraph 17) in

such form and manner as the Secretary of State may reasonably direct and a copy sent to him by 31 December each year. These should carry an audit report stating that, in the opinion of the auditors, the statements show a true and fair view of the CTC affairs and that the grants were used in accordance with the terms and conditions laid down in this Agreement;

- iv. that the CTC prepares and files with the Companies Registry such annual accounts as are required by the Companies Act 1985; and
- v. that a statement of the accounting policies used is sent to the Secretary of State with the financial statements.
- vi. that the CTC insures or procures insurance by another person of its assets in accordance with normal commercial practice or under the terms of any subsisting leases in respect of the leasehold interest of the site upon which the College is situated.

27. The CTC shall secure that its accounts are audited annually by independent auditors appointed under arrangements approved by the Secretary of State. In addition, and at his expense, the Secretary of State may instruct auditors to report to him on the adequacy and effectiveness of the accounting systems and internal controls to standards determined by the Secretary of State and to make recommendations for improving the financial management of the College.

28. The books and accounts and all relevant records, files and reports of the CTC including those relating to financial controls, shall be open to officials of the Department of Education and Science and the National Audit Office for inspection or the carrying out of value for money studies; and the CTC shall secure that those officials are given reasonable assistance with their enquiries.

29. In order that the Secretary of State can determine the level of funding in respect of APG, EAG and capital grant for the financial year (described in paragraph 17), the CTC shall submit indicative budgets to the Secretary of State not later than by 31 December before the start of the financial year in question. Such budgets shall set out clearly the prospective income and expenditure of the CTC and shall differentiate, and give adequate details of:

- i. the levels of APG, EAG and capital grant provisionally agreed by the Secretary of State;
- ii. proposed pupil and teacher numbers;
- iii. a statement of proposed current expenditure in the following 2 financial years; and
- iv. a statement of proposed capital expenditure in the following 2 financial years; and
- v. a statement of expected income including cash donations and gifts in kind from sources other than APG, EAG and grants from the Secretary of State towards capital expenditure, distinguishing between income from public funds and income from other sources. Income from cash donations and gifts in kind from sources other than APG, EAG and grants from the Secretary of State towards capital expenditure will not be taken into account by the Secretary of State in the calculation of APG or EAG.

30. The College will be permitted to carry forward savings from APG from one year to the next:

- (a) equivalent to 2.5% of the total APG received in the preceding year, which it may use for any of the purposes for which APG is paid including all expenditure permitted under sub-paragraph (b) below;



(b) equivalent to a further 1.5% of the total APG received in that year, or such higher figure as may from time to time be agreed, which it may use on the upkeep and improvement of premises including the costs of equipment and routine repairs and maintenance and on capital expenditure other than that for which capital grant has been approved.

It may also accumulate funds from private sources for application to the benefit of the College as the governing body of the College sees fit. Any surplus arising from private sources shall be separately identified in the balance sheet. Any savings not allowed under this paragraph must be surrendered to the Secretary of State within one month from the acceptance of the relevant year's accounts by the Secretary of State.

31. The CTC shall not, without the prior written consent of the Secretary of State, not to be unreasonably withheld or delayed:

- i. give any guarantees, indemnities or letters of comfort;
- ii. write off any debts or liabilities owed to it above a value to be set out in the annual funding letter, nor offer to make any ex gratia payments;
- iii. make any freehold sale or purchase; or
- iv. grant or take up any leasehold or tenancy agreement for a term exceeding three years.

32. Each discovered loss of an amount exceeding the amount set out in the annual letter of funding, and arising from suspected theft or fraud, shall be reported by the CTC to the Secretary of State at the earliest opportunity.

### Borrowing Powers

33. It is the responsibility of the CTC to ensure that it balances its budget from year to year. The CTC shall not run an overdraft beyond such amount (to cover irregularities in cash flow) as may from time to time be approved by the Primary Members (as defined in the CTC's Memorandum of Association) and with the written consent of the Secretary of State, not to be unreasonably delayed or withheld, and subject to any conditions he may reasonably impose. The CTC shall not borrow against future years' current grant, or by using as collateral assets purchased wholly or partly out of monies provided by the Secretary of State. Provided always that nothing in this paragraph shall prevent the CTC from borrowing (whether by way of overdraft or otherwise) prior to the opening of the College nor from borrowing where such borrowing is made necessary by the failure of the Secretary of State to make in a timely fashion payments (whether of APG or EAG or otherwise) agreed to be made by him under this Agreement.

### Pupils

34. The area for admissions ("the catchment area") to the CTC is indicated on the plan at Annex 4. Any variations to the catchment area require the approval of the Secretary of State; and such approval shall be sought at least 6 months before a public announcement by the CTC of the admissions procedure for any year. Unless the number of suitable applicants from addresses within the catchment area falls short of the number of places available in any one year (the admissions number as defined in paragraph 37), pupils living outside the catchment area shall not be admitted unless the Secretary of State gives his approval. If the number of suitable applicants is more than 5 per cent short of the number of places available the CTC shall approach the Secretary of State at least 6 months before the beginning of the next year's admissions procedures with a view to seeking his agreement to amending temporarily or permanently the catchment area for those admissions, which agreement shall not be unreasonably withheld.

### Admissions policy

35. Procedures for admission shall be determined in accordance with the CTC's Scheme of Government, so as to secure as far as possible that the intake of students is representative:

- i. of the full range of ability among pupils in the catchment area; and
- ii. in all other respects of the community in the area in which the College is located.

36. The CTC shall secure, subject to the overriding requirements set out in paragraph 35, that from among applicants of different abilities students are selected who, in the judgement of the Principal are most likely to benefit from what the College has to offer, who have the strongest motivation to succeed and who intend to continue in full time education or training up to the age of 18. It is recognised that the support of parents or guardians is vital if pupils are to benefit fully from the education offered at the College. The procedures for selection, and the information given to parents in the course of local publicity for the admission arrangements, shall be organised and presented with these factors in mind: the outcomes shall be monitored and evaluated by the CTC. Information on the criteria used to select applicants shall be made available free of charge by the College on request, regardless of whether or not it is made by a parent or guardian living within the catchment area.

37. The number of pupils to be admitted to any year group in any year (the admissions number) has initially been determined by the Secretary of State in Annex 5 and subsequently may be varied by agreement between him and the CTC. Pupils admitted above any approved number will not be taken into account in calculating the level of APG. The CTC shall inform the Secretary of State if any year group is 10 or more below the agreed admissions number. Any such shortfall may be taken into account in calculating the

level of APG. The Secretary of State shall not, however reduce the number of pupils he is prepared to support through APG below the initial number in Annex 5, or such other number as may subsequently be agreed, without the consent of the CTC. As the College builds to its full capacity not more than one year group shall be admitted in any one year without the prior approval of the Secretary of State. Nothing in this paragraph shall prevent the CTC from admitting pupils to make up the number in any year group to the number specified in Annex 5, where intending pupils do not take up the places offered to them or pupils leave the College for any reason.

38. Records of applications and admissions shall be kept by the College for a minimum period of ten years and shall be open for inspection by the Secretary of State.

#### Teachers

39. The CTC shall normally employ as teachers persons who are qualified teachers within the meaning of the Education (Teachers) Regulations 1989 as amended from time to time. It shall be open to the CTC to employ persons (whether as teachers or otherwise) with other qualifications and experience.

#### Pay and Conditions of Service

40. It shall be the responsibility of the CTC to agree levels of pay and conditions of service with its employees, and to employ such numbers of staff as may be appropriate. The Secretary of State shall, however, pay grant only in accordance with paragraphs 6-9 and 10-18, and as set out in the annual letter of funding.

41. The Secretary of State shall meet any costs arising from the inclusion of CTCs in the Schedules to the Redundancy Payments (Local Government) (Modification) Order 1983.

#### Curriculum and Assessment

42. The curriculum provided by the CTC to pupils up to the age of 16 shall be broad and balanced with an emphasis on science and technology, [in the case of a CCTA: with an emphasis on the application of technology to the creative and performing Arts] and in particular on the application of information technology in the curriculum. All the core and other foundation subjects of the National Curriculum must be taught to all pupils in years 1 - 5 and their progress measured against the statutory attainment targets and using the statutory arrangements for assessment at the ages of 14 and 16 as these are introduced nationally. In addition the CTC must make provision for the teaching of Religious Education and for a daily act of collective worship. That provision is subject to the conditions and requirements set out in Annex 6.

43. The Secretary of State may specify in the annual letter of funding performance indicators which he intends to use in order to assess the performance of the College relative to schools in the maintained sector and against the objectives of the CTC Programme, as well as value for money generally. The CTC shall make information available to the Secretary of State in connection with such indicators in such form and manner and at such times as may be required.

#### Information

44. Without prejudice to any other provision of this Agreement, the Secretary of State may from time to time call for information on, inter alia, the College's:

- i. curriculum;
- ii. arrangements for the assessment of pupils;
- iii. teaching staff including numbers, qualifications, experience, salaries, and teaching loads;
- iv. class size;

- v. procedures for selecting between applicants;
- vi. number of applications for places and the number and characteristics of pupils accepted for admission;
- vii. organisation, operation and building management; and
- viii. financial controls.

45. The CTC shall make such information available to the Secretary of State, in such form and manner and at such times as may reasonably be required. The Secretary of State shall provide the CTC with such information as they may reasonably require of him for the running of the College.

46. Details of the curriculum offered, of assessment arrangements and of the results of attainment tests and public examinations shall be made available annually to parents of pupils at the College. Summary information about such matters shall be made available for inspection at the College to any other person on reasonable request, but this shall not include details of individual pupils' attainment and examination results.

#### Access by the Secretary of State's Officers

47. The CTC shall allow access to the premises of the College at any reasonable time to DES officials. All records, files and reports relating to the running of the College shall be available to them at any reasonable time. The CTC shall provide the Department in advance with papers relating to all meetings of the Board of Governors of the College and of Directors of the CTC. Two DES officials shall be entitled to attend and to speak at all such meetings. The CTC shall take any steps (whether by way of amendment to its Articles of Association or otherwise) which are requisite to secure its compliance with the obligations imposed by the previous two sentences.

#### Notices

48. Any notice or other communication concerning this Agreement shall be sent, in the case of a notice or communication from the Secretary of State to the CTC to Peter Vardy Esq, Chairman, Tyneside City Technology College, Stoneygate, Houghton-le-Spring, Tyne and Wear, DH4 4NJ and, in the case of a notice or communication from the CTC to the Secretary of State to Head of CTC Unit, Schools IV Division A, Department of Education and Science, Elizabeth House, York Road, London SE1 7PH; or such other address as may be notified from time to time by the Secretary of State and where any such notice or communication is sent by post, unless the contrary is proved, it shall be deemed, subject to satisfactory proof of posting, to be effected at the time at which the letter would be received in the ordinary course of post.

#### TERMINATION OF THE AGREEMENT

##### Termination of the Agreement by the Secretary of State

49. Section 105(4) of ERA states that:

"(4) Payments under an agreement under this section may be in respect of capital or current expenditure and, in so far as they relate to the latter, the agreement shall provide for their continuance (subject to the fulfilment of the conditions and requirements mentioned in subsection (3) above) for a period of not less than seven years or for an indefinite period terminable by the Secretary of State by not less than seven years written notice."

50. Subject to prior termination of this Agreement under paragraphs 55-59, the Secretary of State shall continue payments in respect of current expenditure for a period of not less than seven years. The Secretary of State shall give seven years written notice of his intention to terminate this Agreement, such notice to expire on 31 August in any year.

51. Section 105(6) of ERA states that:

"(6) Without prejudice to subsection (4) above an agreement under this section may provide for indemnifying a person, in the event of the agreement being terminated by the Secretary of state, for expenditure -

(a) incurred by that person in carrying out the undertakings mentioned in subsection (1) above; or

(b) incurred by that person (otherwise than by virtue of subsection (5) above) in consequence of the termination of the agreement."

52. If the Secretary of State terminates this Agreement for reasons other than that the CTC no longer has the characteristics set out in paragraph 5(a)-(d), or is no longer meeting the conditions and requirements set out in paragraphs 19-46 or is otherwise in breach of the provisions of this Agreement, the Secretary of State shall indemnify the CTC in accordance with paragraphs 53 and 54. The amount of any such indemnity shall be paid at such times and in such manner as the Secretary of State may reasonably think fit.

53. (A) The amounts and categories of expenditure incurred by the CTC in consequence of the termination of the Agreement in respect of which the Secretary of State shall indemnify the CTC include (but not by way of limitation), staff compensation and redundancy payments, compensation payments in respect of broken contracts, expenses of disposing of assets or adapting them for other purposes, legal and other professional fees, and dissolution expenses. The Secretary of State shall also indemnify the CTC in respect of capital expenditure on any asset incurred by the CTC under paragraph 8 or with his approval under paragraph 9, other than expenditure funded by capital grants made by the Secretary of State, which cannot be recouped:

(a) as a result of an asset being compulsorily acquired or appropriated in connection with or following termination for less than its market value; or



(b) as a result of its market value at termination being less than its depreciated cost value;

and for these purposes the cost of land and buildings shall be depreciated on a straight line basis over 60 years and the cost of any other asset shall be depreciated on a straight line basis over such reasonable period as shall be recommended by the CTC's auditors.

(B) In determining the value of an asset, the Secretary of State shall have regard to the advice of the District Valuer provided always that if on or within 6 months of termination any assets are sold on the open market their value shall be deemed to be the price at which they are sold.

54. In determining the amount of indemnity, the Secretary of State shall have regard to, inter alia, the following matters:

- i. any representations made to him by the CTC; and
- ii. any plans by the CTC for the future of the premises including, in particular, any plans for their use for educational purposes.

Termination of the Agreement by the Secretary of State because its conditions and requirements are no longer being met

55. If the Secretary of State determines that the CTC no longer has the characteristics set out in paragraph 5 (a)-(d) or that the conditions and requirements set out in paragraphs 19-46 are not being met, or is otherwise in breach of the provisions of this Agreement, the Secretary of State may give notice of his provisional intention to terminate this Agreement.

56. Any such notice shall be in writing and shall:

- i. state the grounds on which he considers the CTC no longer has the characteristics set out in paragraph 5 (a)-(d) or is not meeting the conditions and

requirements of paragraphs 19-46 or is otherwise in breach of the provisions of this Agreement;

- ii. specify the measures needed to remedy the situation;
- iii. specify the date by which these measures are to be implemented; and
- iv. state the form in which the CTC is to provide its response and the date by which it must be provided.

57. If no response is received by the date specified in paragraph 56 iv, the Secretary of State may give the CTC 12 months, or such lesser period as he considers appropriate in the circumstances, written notice of his intention to terminate this Agreement. He shall also give notice that the provisions of section 105(5) of ERA (as described in paragraph 24 (A)iv ) shall apply and set out how the CTC is to comply with them.

58. If a response is received by the date specified in paragraph 56 iv, the Secretary of State shall consider it, and any representations made by the CTC, and shall, within 3 months of its receipt, indicate that:

- i. he is content with the response and that the measures which he specified are being implemented; or
- ii. he is content, subject to any further measures he specifies being implemented by a specified date or any evidence he requires that implementation of such measures have been successfully completed; or
- iii. he is not satisfied, that he does not believe that he can be satisfied, and that he will proceed to terminate the Agreement.

59. In the circumstances of paragraph 58 iii the Secretary of State shall notify the CTC why he believes that he cannot be satisfied and, if so requested by the CTC within thirty days

from such notification, he shall meet a deputation from the members and governors of the CTC to discuss his concerns. If following such meeting he has good reasons for remaining satisfied that the CTC does not and will not have the characteristics set out in paragraph 5(a)-(d) or does not and will not meet the conditions and requirements set out in paragraphs 19-46, or does not and will not otherwise comply with the provisions of this Agreement, he shall give the CTC twelve months, or, where he has served a notice of complaint on the CTC under section 71 of the Education Act 1944, such lesser period as he considers appropriate in the circumstances, written notice of his termination of this Agreement. He shall also give notice that the provisions of section 105(5) (as described in paragraph 24 (A)iv ) shall apply and set out how the CTC is to comply with them.

60. The CTC may terminate this Agreement at any time by giving to the Secretary of State not less than seven years notice in writing expiring on 31 August in any year in which event the provisions of paragraph 24 (A)iv ) of this Agreement shall apply on the expiry of the seven year notice.

61. In the event of the termination of this Agreement howsoever occurring the Secretary of State shall procure that his nominee shall resign as a member of the CTC and co-operate in making any associated amendments to the CTC Articles of Association.

### General

62. This Agreement may be amended in writing at any time by agreement between the Secretary of State and the CTC.

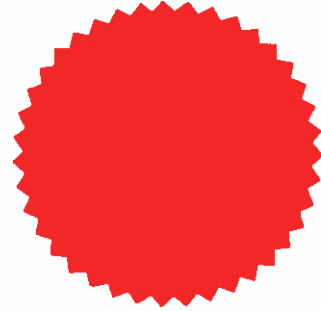
63. The service by the Secretary of State of a notice of termination under any paragraph of this Agreement shall not prejudice the ability of the CTC (if it wishes to do so) during the notice period to admit pupils in accordance with the

provisions of paragraph 37 and to receive APG and EAG in respect of them.

64. The Secretary of State and the CTC recognise the difficulties in catering in this Agreement for all the circumstances which may arise in relation to the College and undertake to conduct such consultations as may from time to time be desirable in order to promote the interests of the College throughout the period of this Agreement.

IN WITNESS whereof this Deed has been duly executed by the parties hereto and is intended to be and is hereby delivered as a Deed the day and year first above written.

The Official Seal of the Secretary of State for Education and Science hereunto affixed is authenticated by:-



.....*Quinn-Jones*.....

Authorised under section 3(2)  
Education Act 1944

The Common Seal of the Tyneside City Technology College Trust was affixed in the presence of:-

LS

.....*R. H. [Signature]*.....

*SEE ANNEX 2 REVISION*

Director

.....*[Signature]*.....

~~Secretary~~ Director

Items to be purchased or repaired from current expenditure/include inter alia:

Servicing of all systems - heating, plumbing, lighting etc  
Replacement/repair of furniture  
Classroom consumables  
Laboratory consumables and equipment replacement  
Medical equipment  
Fencing repair  
Sports Equipment/maintenance  
Administration consumables  
Redecoration  
Grounds maintenance  
Repairing all minor damage

Minor repairs (as defined in the annual letter of funding) and maintenance of building fabric and services including maintenance contracts of equipment - mechanical and engineering services, fire alarm, telephone, kitchen equipment etc.

## PROJECT BUDGET AND CASH FLOW FORECAST/RECORD: Capital

PROJECT: EMMANUEL

1. Cost Plan  
Total  
All figures in £k

|               |      |
|---------------|------|
| New Build     | 6513 |
| Fees          | 200  |
| F&E           | 1596 |
| Site Purchase | 300  |

|               |      |
|---------------|------|
| TOTAL CAPITAL | 8609 |
| of which: DFE | 6887 |
| Sponsors      | 1722 |

CTC TERRITORIAL TEAM  
DARLINGTON  
RECEIVED  
05 OCT 1995

CTC FINANCE  
RECEIVED  
12 OCT 1995

## 2. CASH FLOW

All figures in £m

|          | Total to<br>end 88-89 | 1989-90 | 1990-91 | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | GRAND<br>TOTAL |
|----------|-----------------------|---------|---------|---------|---------|---------|---------|---------|----------------|
| Total    | 300                   | 2965    | 4186    | 522     | 230     | 0       | 0       | 406     | 8609           |
| DFE      | 300                   | 2965    | 3753    | 227     | 0       | -76     | -282    | 0       | 6887           |
| Sponsors | 0                     | 0       | 434     | 295     | 230     | 76      | 282     | 405     | 1722           |

Note The sponsors including the Vardy Foundation, undertake to raise the outstanding sponsorship contribution to complete expenditure up to the total of the approved cost of the project.

\* Column does not add up because these are rounded figures

## COLLEGE TRUST

Signature 1



Date:

19.9.95

Signature 2



Date:

11 October '95

## DEPARTMENT FOR EDUCATION

Signature



Date:

8 November 1995

CTC TERRITORIAL TEAM  
DARLINGTON  
RECEIVED  
04 MAY 1994

CTC TERRITORIAL TEAM  
DARLINGTON  
RECEIVED  
14 MAY 1994

Annexe 2

PROJECT BUDGET AND CASH FLOW FORECAST/RECORD :Capital

PROJECT:  
DATE:

EMMANUEL  
13.4.94

1. Cost Plan Total  
All figures in £k

.....  
New Build 6513  
Fees 200  
F&E 1596  
Site Purchase 300  
.....

TOTAL CAPITAL 8609  
of which DES: 6887  
Sponsors 1722  
.....

2. CASH FLOW All figures in £m

|          | Total to 1989-90<br>end 88-89 | 1990-91<br>* | 1991-92 | 1992-93 | 1993-94 | 1994-95<br>* | 1995-96 | GRAND<br>TOTAL |      |
|----------|-------------------------------|--------------|---------|---------|---------|--------------|---------|----------------|------|
| Total    | 300                           | 2965         | 4186    | 522     | 230     | 0            | 165     | 241            | 8609 |
| DES      | 300                           | 2965         | 3753    | 227     | 0       | -76          | -282    | 0              | 6887 |
| Sponsors | 0                             | 0            | 434     | 295     | 230     | 76           | 446     | 241            | 1722 |

Note The sponsors including the Vardy Foundation, undertake to raise by sponsorship or other means the above sums and remit to the DFE

\* Column does not add up because these are rounded figures.

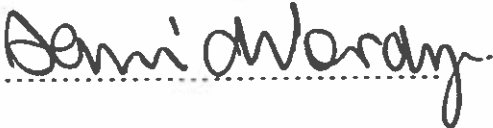
COLLEGE TRUST

Signature 1:



Date:


Signature 2:



Date:

DEPARTMENT FOR EDUCATION

Signature:



Date:



PROJECT BUDGET AND CASH FLOW FORECAST/RECORD :Capital

PROJECT:

EMMANUEL

DATE:

26.5.93

1. Cost Plan            Total  
All figures in £k

---

|               |      |
|---------------|------|
| New Build     | 6513 |
| Fees          | 200  |
| F&E           | 1596 |
| Site Purchase | 300  |

---

|               |      |
|---------------|------|
| TOTAL CAPITAL | 8609 |
| of which DES: | 6887 |
| Sponsors      | 1722 |

---

2. CASH FLOW            All figures in £m

|          | Total to 1989-90<br>end 88-89 | 1990-91 | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | GRAND<br>TOTAL |      |
|----------|-------------------------------|---------|---------|---------|---------|---------|---------|----------------|------|
|          |                               | *       |         |         | *       |         |         |                |      |
| Total    | 300                           | 2965    | 4186    | 522     | 230     | 181     | 0       | 225            | 8609 |
| DES      | 300                           | 2965    | 3753    | 227     | 0       | -76     | -282    | 0              | 6887 |
| Sponsors | 0                             | 0       | 434     | 295     | 230     | 256     | 282     | 225            | 1722 |

---

Note    The sponsors including the Vardy Foundation, undertake to raise by sponsorship or other means the above sums and remit to the DFE

\* Column does not add up because these are rounded figures.

COLLEGE TRUST

Signature 1:



Date:

27. May 93

Signature 2:



Date:

27. May 93

DEPARTMENT FOR EDUCATION

Signature:



Date:

7. 6. 93

## PROJECT BUDGET AND CASH FLOW FORECAST/RECORD: CAPITAL

PROJECT: Tyneside

## 1. COST PLAN

|                | Total<br>All figures in £K |
|----------------|----------------------------|
| New Build      | 6,513                      |
| Playing fields | 200                        |
| F & E          | 1,596                      |
| Site Purchase  | 300                        |
| <hr/>          |                            |
| TOTAL CAPITAL  | 8,609                      |
| of which: DES  | 6,887                      |
| : Sponsors     | 1,722                      |

## 2. CASH FLOW

All figures in £K

|          | Total to 1989-90<br>end 88-89 | 1990-91 | 1991-92 | 1992-93 | 1993-94 | 1994-95 | 1995-96 | GRAND<br>TOTAL |
|----------|-------------------------------|---------|---------|---------|---------|---------|---------|----------------|
| Total    | 300                           | 2,965   | 4,468   | 535     | 341     | 0       | 0       | 8,609          |
| DES      | 300                           | 2,965   | 4,019   | 148     | 4       | (337)   | (100)   | 6,887          |
| Sponsors | 0                             | 0       | 449     | 387     | 337     | 337     | 100     | 1,722          |

## 3. NOTE

The sponsors, including the Vardy Foundation, undertake to raise by sponsorship or other means the above sums and remit as directed by the DES. The figures for the cash flow from sponsors follow Mr D Vardy's letter of 4 May 1990 with the addition of £100K per year for four years commencing 1991-92 and £112K payable in 1995-96, payable quarterly in arrears, to be found from the Vardy Foundation or other sources.

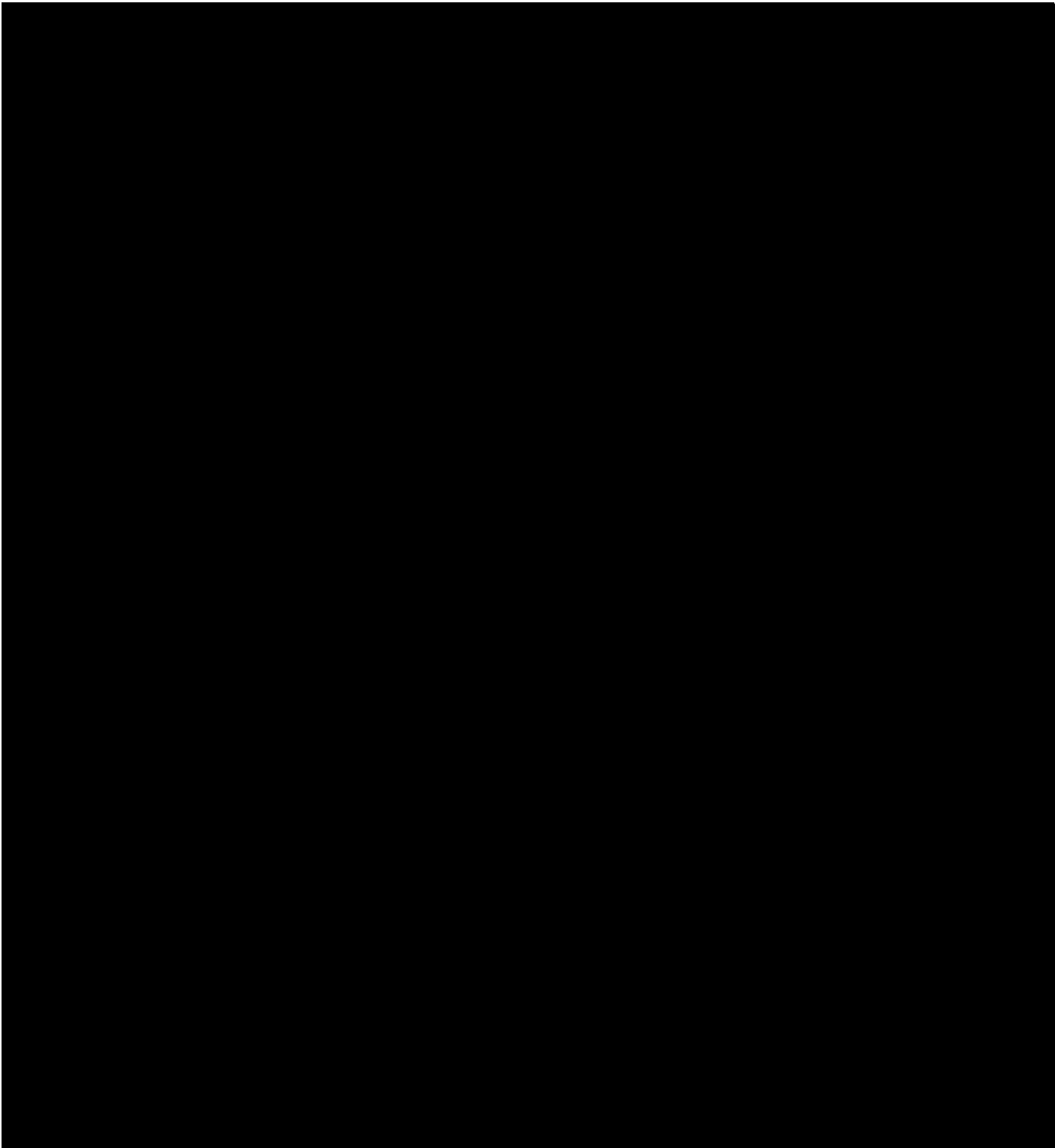



REVISED Annex 2

Amir Farooq  
(for Secretary  
Note)

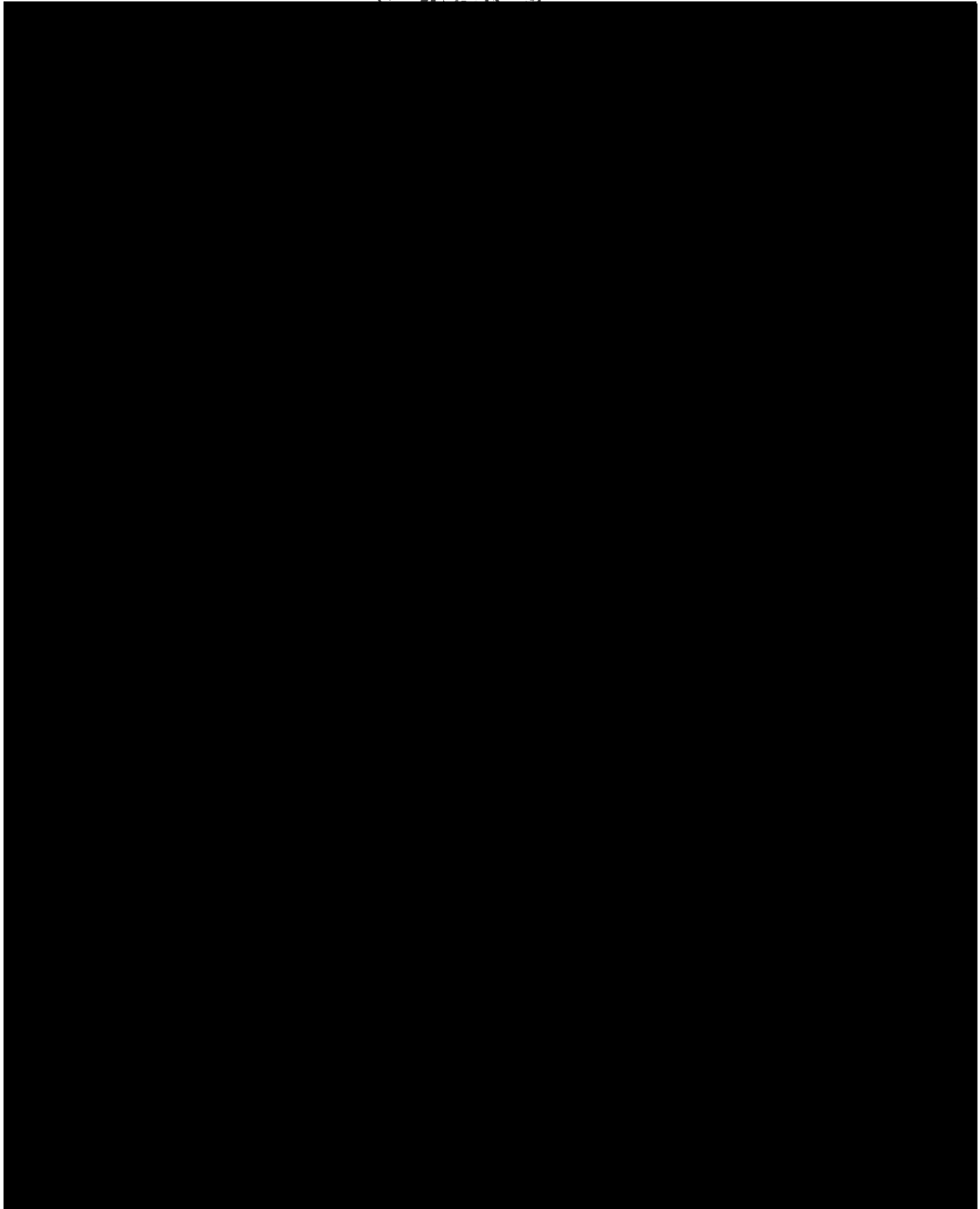
MISS A J STEWART  
(Head of CTC Unit)

DES





7-102



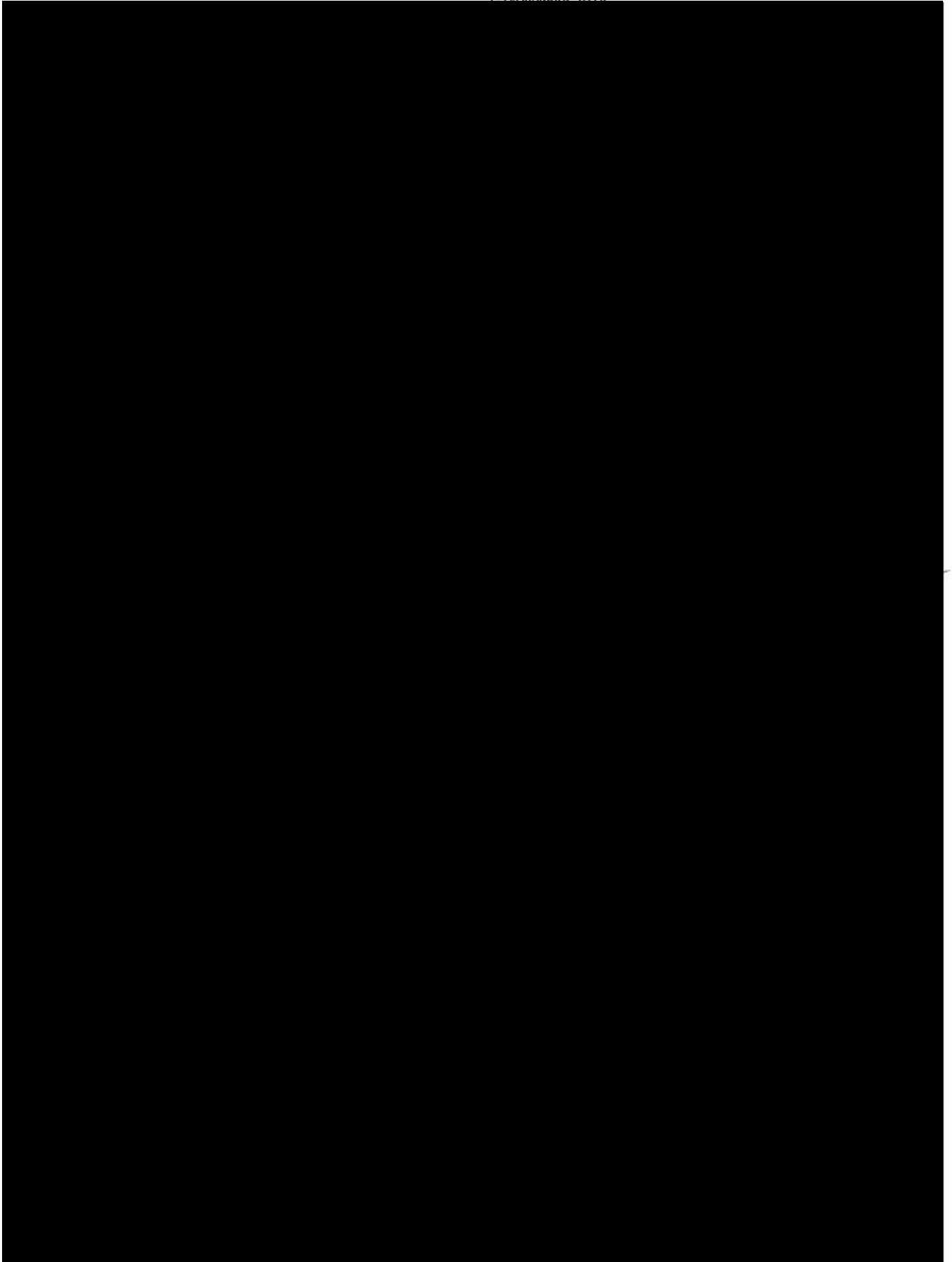


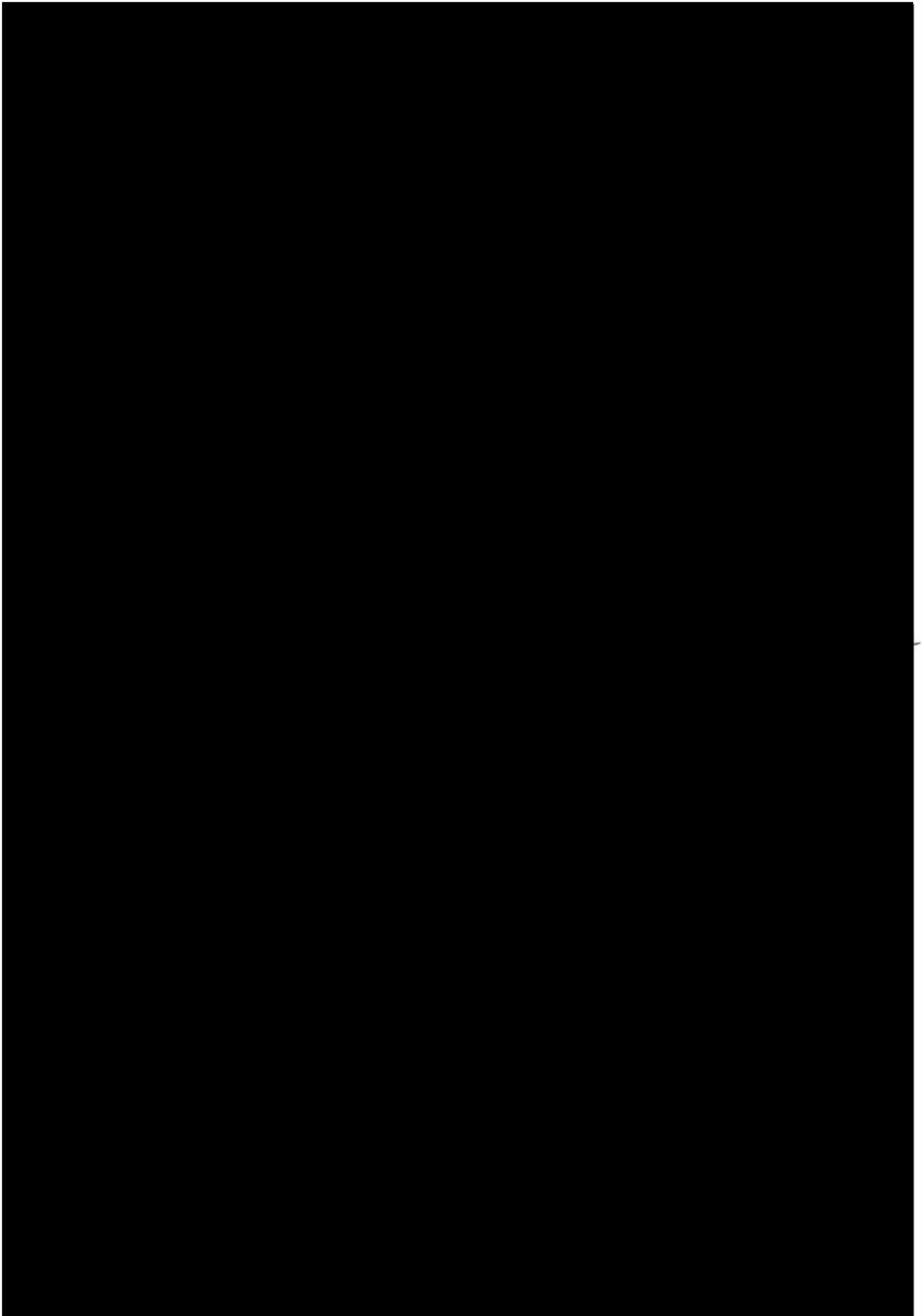
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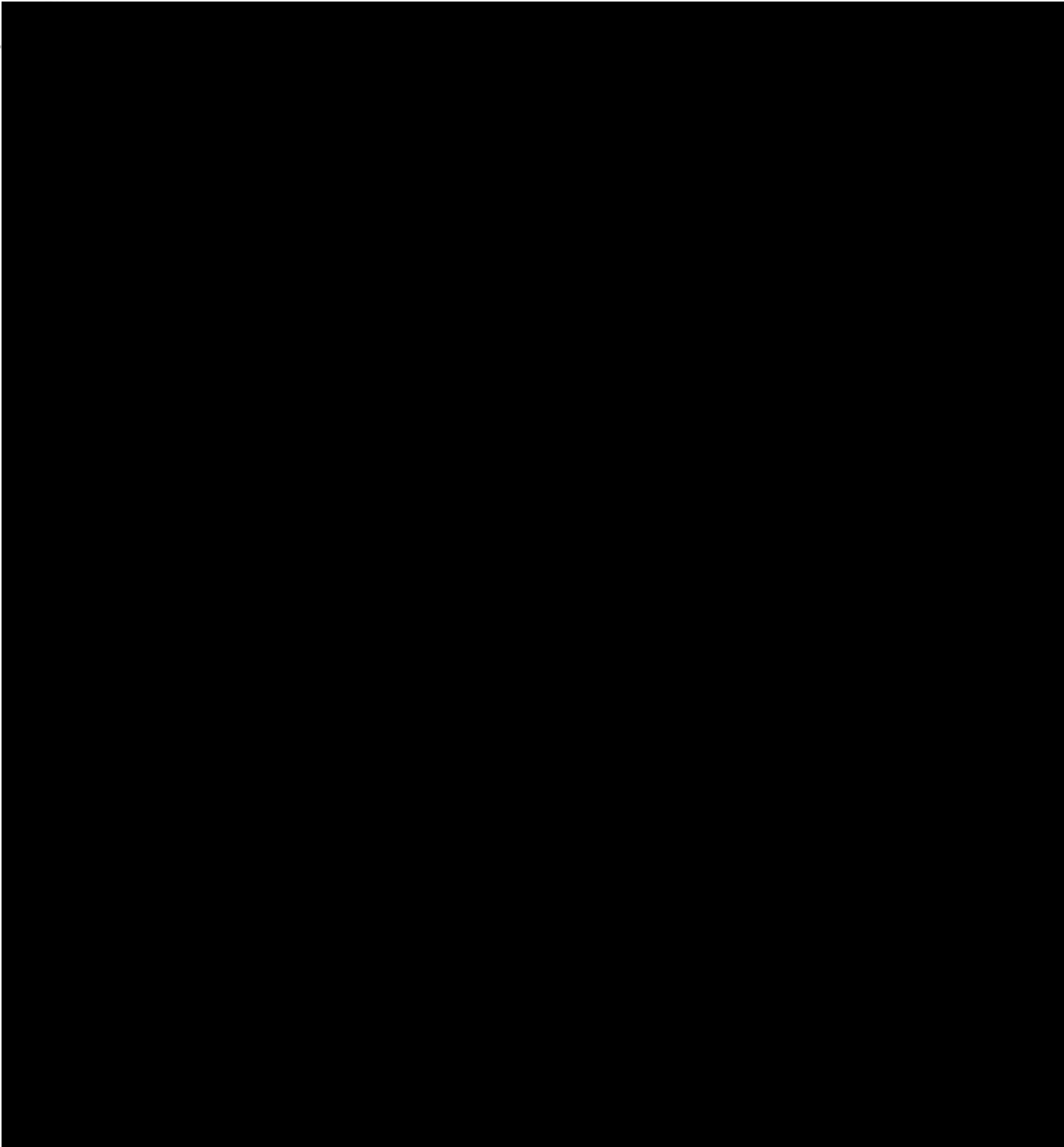
**Department of Education and Science**  
Elizabeth House York Road London SE1 7PH

Direct Line 01-934  
Switchboard 01-934 9000  
GTM Number 2014









Your sincerely,  
Miss Stewart

MISS A J STEWART



## RE AND COLLECTIVE WORSHIP

1. Paragraph 42 requires that the CTC/CCTA must make provision for the teaching of RE and for a daily act of collective worship.

2 RE shall be provided for all pupils at the College. All pupils shall take part in a daily act of collective worship. The CTC/CCTA may choose to provide a single act of worship for all the pupils or separate acts for pupils in different age groups or different college groups. Parents shall have the right to withdraw their children from RE and collective worship. Teachers, including the Principal, have the right not to take part in RE and collective worship. However it shall be the Principal's responsibility to ensure that the provisions of this paragraph and paragraph 3 are put into effect.

3 The content of RE and collective worship will be for the College to determine, depending on its character. Generally speaking, however, this should reflect the arrangements established by ERA for maintained county schools.

Schedule to Annex 2:

Drawing NO 132 of Job 89/1981, prepared by Dewjoc, being a site plan of the College.

Annual Per Capita Grant: Description of items of LEA expenditure on which APG is based.

Teacher salaries including full and part time teaching staff and seconded teachers.

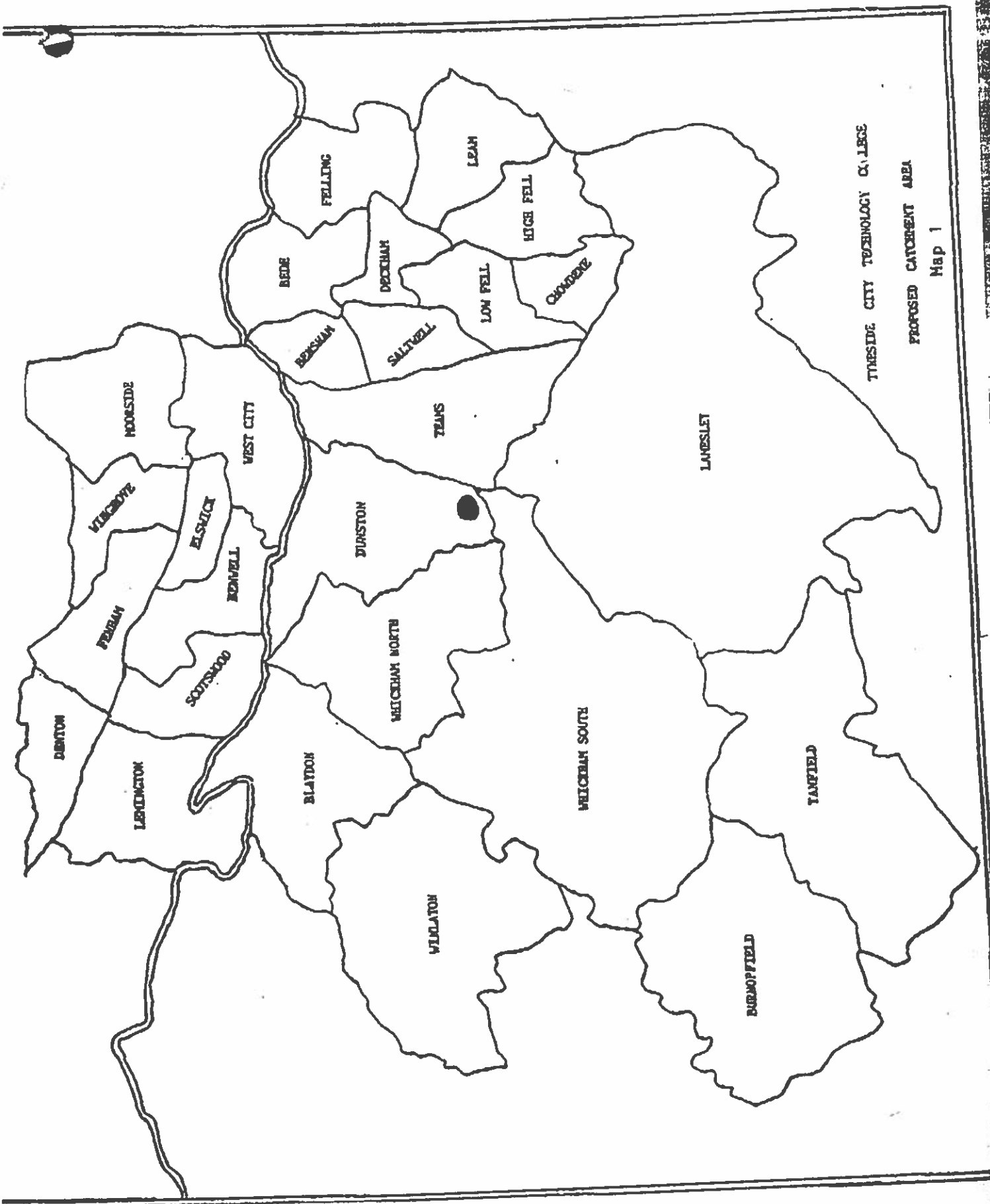
Non-teaching staff including educational support; administrative and clerical; manual & premises related; other.

Employee expenses

Premises & Fixed Plant including repair and maintenance of buildings; maintenance of grounds; cleaning materials and contract cleaning; water & sewerage; fuel & light (fuel oil, solid & other fuel, electricity, gas); rents; rates; furniture & fittings.

Supplies & Services including text & library books; educational equipment, stationery & materials; examination fees; other equipment, supplies services & materials.

Establishment expenses & other institutional costs



TIDSEWATER COMMUNITY COLLEGE  
PROPOSED WATERSHED AREA  
Map 1