

**CONFIRMED MINUTES OF THE MEETING OF THE CORPORATION BOARD
HELD ON FRIDAY 3 JULY 2015
IN THE COMMITTEE ROOM, MIDDLESBROUGH CAMPUS**

Present

Graham Robson	Chair, Independent Member
Sarah Fawcett	Independent Member
Ian Butchart	Independent Member
Ian Swain	Independent Member
Jane Rapley	Independent Member
Mark Stokeld	Independent Member
Phil Trotter	Independent Member
Jamie Macdonald	Staff member
Andrea Goodwill	Staff member
Charly Butler	Staff member
Martin Raby	Principal

Also in attendance

Stuart Slorach	Vice Principal Resources
Jackie White	Clerk to the Corporation
Nicola Craddock	For Learning and Development
Clare Watson	For Learning and Development
James McGregor, Head of HE Research Youth Sight for Learning and Development	

WELCOME AND INTRODUCTIONS

The Chairman welcomed everyone to the meeting and a minutes silence was held as respect for those who were killed in Tunisia.

LEARNING AND DEVELOPMENT SESSION

James McGregor from Youth Sight was invited to present further information on the details of the CCAD Brand and Competitive report which was discussed at the last Corporation Board meeting.

There was a lengthy discussion regarding key elements of the report and members felt a much better awareness of the report following the presentation and areas in which effort should be placed for the future on marketing activities.

The Chairman thanked James for his presentation.

APOLOGIES FOR ABSENCE

Apologies for absence had been received from Patrick Smith, Denise Ogden, Robin Simmons, Steve Blanks, Amy Rogers and Jenny Morrison.

QUORUM

The meeting was quorate in line with standing order 8.1 Meetings of the Corporation Board and its committees shall be quorate when 40% of the total membership of the Governing Body or its committee, excluding vacancies, is present, except where otherwise stated within the terms of reference for that committee.

DECLARATIONS OF INTEREST

No further declarations were raised with regard to the agenda.

MINUTES OF THE PREVIOUS MEETING.

The minutes of the previous meetings held on 1 May 2015 and 26 May 2015 were agreed as an accurate record. The minutes of the 15 June 2015 were agreed as an accurate record with the following amendment:

Present: Andrea Goodall to be replaced with Goodwill

Clerk

MATTERS ARISING

GB14 0098 Members Issues – this matter is still outstanding.

Clerk

GB14 0111 Chairman Appraisal Feedback – this matter is still outstanding

Learning and Development Session – the training programme containing the link for safeguarding training and E&D training was issued to members.

Learning and Development Session- master target book for 2015/16 being developed.

GB14 0104 award from an industry link to give to students is still outstanding

GB14 0126 Context for budget setting is due to be discussed at the next audit committee on 10 July 2015.

MEMBER'S ISSUES

The Chairman offered members the opportunity to update the Board on issues not covered under the agenda.

The Chairman discussed that he and several other members had attended the graduation ceremony and commented that it was good day.

Sarah Fawcett discussed with members that she had met her FE buddy and had a good positive and helpful meeting. Sarah advised her buddy that they would be getting a new Independent Member as she had now taken on the Corporation Board Safeguarding and E&D role.

Sarah also commented that the Safeguarding policy has been amended and now includes radicalisation in line with legal responsibilities and mandatory training on this area will be held for staff in September.

Phil Trotter discussed that he had met with his FE buddy who has left the College as part of the recent restructure process. Phil requested advice from management in terms of how graphics will work in the future.

The Chairman met with his buddies and looked at the costume area.

The Chairman discussed that he had met with most of the Governors and discussed options for future terms of office and roles. He advised members that Charly Butler and Andrea Goodwill had been reappointed to the role of Staff Governor for a term of office of 3 and 2 years respectively. Sarah Fawcett and Ian Butchart had also been reappointed for a term of 4 years. Patrick Smith, Vice Chairman had been appointed for a period of 2 years.

Members noted that Jamie Macdonald had decided to not stand again as Staff Governor and the post had now been put out to HE staff for nominations and both of the student representatives had come to the end of their terms of office.

The Chairman thanked Jamie Macdonald, Amy Rogers and Jenny Morrison for their contribution. Two appraisals were outstanding and will be arranged over the summer.

The Principal advised members that he had had a discussion with a previous governor, Jenny Grainger, to see if she would be interested in the vacant governor post and members noted that she was interested in pursuing this option with her employer. Members noted that Jenny's background is marketing and given the agenda going forward it would be useful. Members who knew Jenny felt delighted if she was able to take up the post.

PRINCIPALS REPORT

The Principal referred members to his previously circulated report and advised members that the purpose of his report is to update governors with respect to a number of issues which are not considered in specific agenda items and to highlight key aspects of items on the agenda.

The Principal drew member's attention to the new common inspection framework which was launched in June and the one page information sheet attached to his report. He advised members that he is still uncertain about when we might have an Ofsted visit.

HE retention was highlighted and members noted the overall level of in year retention is a concern. It was noted that some programmes report excellent retention but others are less

successful. The issue is being actively addressed by the Acting Heads of School.

Following on from the learning and development session members discussed marketing issues and noted that the Principal had collected some examples of marketing materials from Huddersfield University. Members noted that Huddersfield are already delivering very effectively, key messages along similar lines to those discussed by the Board.

Staff communication was discussed and members noted the various means of communicating with staff. Discussions were held regarding the latest presentation to staff which discussed the position regarding retention and recruitment and Andrea Goodwill commented that staff felt that the presentation by the Principal had been open and honest and a supportive approach. Jane Rapley discussed that she felt the presentation was very good.

Finally the Principal drew member's attention to the financial outturn for 2014/15 in relation to the College covenants.

The Principal then provided members with a presentation on a review of the year and sector developments. Members welcomed the presentation and discussed picking the issues up at the October Strategy Day.

Phil commented that it is difficult to judge all the information that is released and how to prioritise it. He welcomed the opportunity to have a regular slot on the agenda to highlight the information and priority for the College. It was agreed that the Principal and Clerk work together to ensure this information is provided on the intranet.

The Principal shared with members the data book and highlighted the key exceptions. Jane commented that performance has fallen short on some areas and questioned how this was going to be addressed. The Principal confirmed that he is monitoring the situation closely and commented that there is a high level of enthusiasm from the Acting HOS to manage this with the course leaders and programme leaders. Team meetings are held with business support in FE and this will be rolled out to HE staff.

The Corporation Board RECEIVED the Principal's report.

HE ACADEMIC BOARD TOR

The Principal spoke to the previously circulated report and discussed with members that the HE Academic Board had recently reviewed their TOR and agreed to expand academic staff from 4 to 8 with some support members dropping out of the membership. In addition it was agreed to reduce meetings from three times a year to twice a year.

The Chairman asked what scholarly activity is and the Principal confirmed that this is about research and education and there is a subcommittee of the HE Academic Board which looks at this area.

Ian Butchart commented that the TOR required the Chairman of the group needed to be identified and this was agreed.

Jane Rapley commented that the process for appointing members of staff to the Board should be through election not nomination and it was agreed to amend this.

The Corporation Board APPROVED the HE Academic Board TOR

LGF PROJECT UPDATE

Confidential Paper

MANAGEMENT ACCOUNTS MAY 2015

The Corporation Board received the Management accounts for May 2015 and noted that the College is currently running with a year to date operating surplus of £495k which is £76k behind the original budget.

- Income of £7.9m is £0.5m behind budget as a result of lower than hoped for HE student numbers for 2014/15 and the knock on impact across various income streams as a result
- Pay expenditure of £4.4m is £0.1m better than budget. Delays earlier in the year have offset additional costs incurred of providing some services in-house that were previously outsourced to Neuropartners
- Non-pay expenditure of £3.1m is £0.3m better than budget despite additional costs earlier in the year for the refurbishment of Lime Crescent and the Green Lane roofing project being offset by saving in costs relating to Neuropartners (see above)
- Financial Health Group sits at 'Outstanding' for the year to date but this is due to timing of events and will drop down to the anticipated 'Good' by the year end.
- Cash balances stand at £1.8m, in line with the budget. This will increase in July as a estimated £0.9m is due in relating to the LGF project once contracts are issued

The Corporation Board RECEIVED the Management Accounts for May 2015.

PROPOSED REVENUE AND CAPITAL BUDGETS 2015/16 AND 2016/17

The Vice Principal Resource spoke to the previously circulated paper and tabled a further update.

Members noted that the College has produced a draft budget for the coming 2 years.

The key points within the budget are:-

- Student numbers falling slightly at HE in 15/16 and expected to start to increase in 16/17
- Income falling c.£800k in 15/16 which the College has prepared for by conducting a redundancy programme in 14/15. Income anticipated to increase in 16/17
- Pay costs have been reduced in line with falling income in 16/17 with a small increase in 2016/17
- Non Pay costs are budgeted to drop in 15/16 – partly due to one off items in 14/15 and reductions made in light of decreased funding
- Operating loss in 15/16 of £44k with an expectation of a surplus in 16/17 of £55k
- Cash balances expected to be £2m or more over the period
- Financial Health Grade of Good throughout the period

The Chairman asked how much scope does this give the College and the Vice Principal Resources advised that it is very tight but achievable.

Jane Rapley discussed that next year it relies on increasing numbers and questioned whether this can be achieved and exceeded. The Principal confirmed that he has discussed his with staff and the forecast 2016 assumes fewer students than 2014.

The Vice Principal Resource discussed that there was a push on increasing HE fees over the £9,000 but we may see a decrease in funding for FE students as part of the budget issued next week.

The Corporation Board APPROVED the budget for 2015/16 and forecast for 2016/17.

INTERNAL AUDIT PLAN FOR 2015/16

The Vice Principal Resources spoke to the previously circulated report and members noted that the Internal Audit plan had been discussed with KPMG and covers Corporate Governance & Risk Management, Health and Safety, Capital Programme Management, Payroll, Business Continuity and Curriculum Planning.

Ian Butchart confirmed that the plan had not been to Audit Committee as this meeting was due to be held following the Board Meeting but was reassured around the involvement of Baker Tilly regarding budgets.

The Corporation Board APPROVED the Internal Audit Plan.

FINANCIAL REGULATIONS

The Vice Principal Resources spoke to the previously circulated report and members noted that the Financial Regulations have been produced using the CIPFA model financial regulations 2013.

These are generally used as the template for financial regulations across the sector to provide some commonality across education.

The Chairman asked whether there was anything in the revised regulations that was significantly different to the current regulations and the Vice Principal Resources confirmed that the main change was around redundancies.

The process for keeping the regulations up to date was discussed and it was agreed that the Audit Committee will review the regulations on an annual basis formally and recommend any changes to the Board.

Member's raised that they had some minor typos and formatting issues which they agreed to raise outside of the Board Meeting and the Corporation Board APPROVED SUBJECT TO THESE CHANGES the Financial regulations.

STRATEGIC OBJECTIVES APPROVAL INCLUDING REVIEW OF THE COLLEGE'S MISSION STATEMENT AND EDUCATIONAL CHARACTER

The Principal spoke to the previously circulated report which had been revised. Members were reminded of their contribution through the Strategy days where it was agreed not to make major changes. The Plan includes high level strategic objectives and KPIs. The latter will be developed and extended for inclusion in the master target book. The document will be finalised during August prior to the start of the academic year.

The Corporation Board APPROVED the Strategic Objectives and the College Mission Statement and Educational Character

REPORT ON THE PARTNERSHIP WITH THE ARTS UNIVERSITY BOURNEMOUTH

The Principal spoke to the previously circulated report which summarises the state of the College's relationship with AUB. Members noted that this is generally now good and issues of some concern in 2013/14 have been resolved satisfactory.

The Corporation Board APPROVED the report on the partnership with the Arts University Bournemouth.

ELECTION OF CHAIR AND VICE CHAIR AND DETERMINATION OF CHAIRMANSHIP OF BOARD COMMITTEES

The Clerk gave a verbal update with regard to the process for appointing the Chair and Vice Chair of the Corporation Board and determining membership of the Committees.

Members noted that Graham Robson had been the only nomination for the Chairman and the Corporation Board APPROVED Graham Robson as Chair for a further term of office. In addition, members noted that Graham Robson's term of office was due in December and further approved reappointment for a further term of office.

Members noted that Patrick Smith had been the only nomination for the Vice Chair and the Corporation Board APPROVED Patrick Smith as Vice Chair for a further term of office to run in concurrent with his reappointment as governor for a further 2 years.

Finally members noted that nominations for Audit Committee membership had been extended to Denise Ogden and this was APPROVED and Robin Simmons for Remuneration Committee and this was APPROVED.

Finally Ian Butchart was APPROVED as Chair of the Audit Committee for one further year.

REVIEW OF MEETING CONDUCT AND IDENTIFICATION OF ITEMS FOR INCLUSION IN THE RISK REGISTER

Members discussed that very intelligent points had been made by members and the presentation by Youth Sight was good.

Members discussed that they would like to thank Stuart Sloarch, Martin Raby and their teams for the hard work over the last year. In addition the Principal thanked Stuart Slorach for his work in relation to the LGF project.

No new risk areas had been identified for the risk register.

CONFIDENTIAL ITEMS

It was agreed that elements relating to LGF, redundancies and bank borrowing were to be maintained as confidential items.

Clerk

DATE AND TIME OF NEXT MEETING

The next meeting of the Corporation Board will be held on Friday 9 October 2015 and will be a Strategy Day.

All

Signed:

Name:

Date: