

**CONFIRMED MINUTES OF THE MEETING OF THE CORPORATION BOARD  
HELD ON FRIDAY 4 JULY 2014  
IN THE COMMITTEE ROOM, MIDDLESBROUGH**

**Present**

Graham Robson	Chair, Independent Member
Phil Trotter	Independent Member
Ian Butchart	Independent Member
Sarah Fawcett	Independent Member
Mark Stokeld	Independent Member
Andrea Goodwill	Staff member
Jamie Macdonald	Staff member
Lucy Bannister	HE student representative
Martin Raby	Principal

**Also in attendance**

Jill Fernie-Clarke	Vice Principal Academic
Stuart Slorach	Vice Principal Resources
Jackie White	Clerk to the Corporation
Steve Blanks (from agenda item 2.2)	Independent Governor
Robin Simmons (from agenda item 2.2)	Independent Governor

**WELCOME AND INTRODUCTIONS**

The Chairman welcomed members to the meeting and advised members that the meeting was Lucy's final one having completed her tenure and final degree. The Chairman and members wished Lucy well for the future and thanked her for her contribution over the last three years.

**GB13 1626 DECLARATIONS OF INTEREST**

Declarations of interest were made by Sarah Fawcett in respect of the student accommodation item within agenda item 1.6 of the Principals report.

No other declarations were noted.

**GB13 1627 APOLOGIES FOR ABSENCE**

The following apologies for absence had been received:

Ian Swain, Independent Member  
Bob Kerr, Independent Member  
Charly Butler, Staff member

**GB13 1628 MINUTES OF THE PREVIOUS MEETING.**

The minutes of the previous meeting held on 21 March 2014 were recorded as a true and accurate record with the following amendments:

**Action**

Clerk

Page 4 – Ian Butchart was aware of the pros and cons of shared libraries. In addition Ian advised members that he had met with the Vice Principal Academic and had discussion regarding the library.

Page 5 – Sarah Fawcett confirmed that the Thirteen was created in April 2014 from the merger of two respected North East housing groups, Fabrick and Vela.

**GB13 1629** **MATTERS ARISING**

**Min Ref GB13 1572** – The Vice Principal Resources confirmed that this item was covered on the agenda

**Min Ref GB13 1578** – The Principal confirmed the College was still waiting for the NUS Governance Team to attend the college to discuss the SU Constitution. This was being followed by the Student Services Manager.

**Min Ref GB13 1588** – the Clerk confirmed that the scheme of delegation and reservation was covered on the agenda.

**Min Ref GB13 1575** – The Vice Principal Academic confirmed that a date was set in August to approve policies which will then be uploaded to intranet. She went on to confirm that a process is in place to update, review and approve policies throughout the year. It was noted that there may not be a Governance & Search Committee in the future and a review of the process for approving policies may be needed.

**GB13 1630** **PRINCIPAL'S REPORT**

Confidential report.

**GB13 1631** **MEMBERS ISSUES**

The Chairman advised members of this new section of the agenda which was for members to raise issues relevant to the Board agenda. The Chairman advised members that he is going to follow the first cohort of students next year for his buddy programmes through for the first year.

Phil Trotter mentioned that with his programme, one of his buddies suggested that he might be able to help with FE and HE progression which he welcomed.

Mark Stokeld is still to meet with his FE programme and then he plans to progress on.

Jamie Macdonald confirmed that from his programme there had been good feedback.

It was agreed that a feedback form be developed to record actions following a buddy meeting.

Clerk

**GB13 1632** **GOVERNANCE REVIEW DAY ACTIONS FOR RATIFICATION**

The Chairman discussed that a review day had been held to look at the way the college was run from a governor governance perspective which was facilitated by Jo Matthews. There were two specific issues raised which were identified in the paper and had been considered and approved by the Governance and Search Committee. These were:

- KPIs – Edition 1 of the Governor update has been produced and circulated to members in May. Management information on key performance indicators was included along with a high level summary. This information will be distributed frequently to members giving them more opportunity for discussion at Board meetings by exception based on the areas of good practice or concern. Members are encouraged to raise issues regarding the information outside of Board if required.
- Proposed new board process/structure - More regular Board meetings (8 in total – 2 Strategy and 6 normal) structured around Strategy and risk issues with 2 statutory committees (Audit and Remuneration), 1 committee (HE Academic Board) and 2 task and finish groups (Property and a new group to oversee the changes – Governance Oversight Group) to be established, and reviewed after a year. An annual cycle of business has been developed to ensure statutory requirements are still met.

In support of these two proposals, new Board processes including a new agenda structure to allow space for strategic discussion and incorporation of the learning and development programme, communication between meetings to allow for management information (KPIs) and other relevant information to be circulated to members which would be noted as “silent papers” on the Board agenda which would be circulated but not discussed at Board meetings and a Scheme of Delegation and Reservation has been developed.

Mark Stokeld raised an issue regarding the HE Academic Board identifying that it only has one Independent Member and the Principal confirmed that the current membership is consistent with other institutions e.g. the Arts University Bournemouth.

Ian Butchart confirmed that the internal Auditors have agreed to look at the governance changes so there will be independent information on how well the changes have been made. Members welcomed this support.

Phil Trotter pointed out that that Jo Matthews had said that silent papers were good practice and members supported this approach.

The Chairman confirmed that the risk issues highlighted would be picked up and included on the risk register.

The Chairman went on to ask if Members felt comfortable with changes and Members confirmed their agreement to the changes.

The Chairman also advised members that the Learning and Development sessions would be included in the main part of the meeting and members were expected to attend for the full session.

Finally the Clerk advised members of the separately circulated Governance Framework folder which included a Scheme of Delegation and Reservation which identified delegation arrangements in line with financial regulations and financial delegation limits.

Phil Trotter thanked the Clerk for bringing together the pack.

The Corporation Board **APPROVED** the governance arrangements.

**GB13 1633 RECOMMENDATIONS FROM THE GOVERNANCE AND SEARCH COMMITTEE ON THE APPOINTMENT OF NEW MEMBERS**

Phil Trotter, Chair of the Governance and Search Committee gave a brief overview and headlines on two recommended candidates. Members noted the information.

Sarah Fawcett questioned whether the Governance and Search Committee were exploring the recruitment of female governors, following the resignation of two female governors during 2014/15. Phil Trotter confirmed that the Chairman was in discussion with a female candidate who worked in the Arts industry and hopefully this would progress.

Sarah Fawcett also raised an issue regarding the ethnicity of the Corporation Board and student ethnicity.

The Board **APPROVED** the recommendations from the Governance and Search Committee.

**GB13 1634 STRATEGIC OBJECTIVES APPROVAL INCLUDING A REVIEW OF THE COLLEG'S MISSION STATEMENT AND EDUCATION CHARACTER**

The Principal spoke to the previously circulated Strategic Plan and advised members that it was not radically different from the previous years but it is shorter and simpler. He confirmed that a Strategy day had been held last week and Corporation Board Members had attended and contributed to the plan. A redraft of values has been included in the strategic plan. The Principal discussed two key issues in the plan; supporting operational plans which the Principalship will take forward and culture change within the organisation across both FE and HE, describing the next 3-4 years as a strategic change process which governors can contribute to with the buddy system. The strategy day

suggested there may be some key themes which buddies can pick up on particularly themes with lead buddies.

The Chairman questioned the performance management system and whether it was a new system or existing system. The Principal confirmed that the VPs had used the system for their direct reports over the last year and it had worked well.

Ian Butchart confirmed that the training provided early in the day was useful in identifying how the strategic plan fits together and the aspirations. The Vice Principal Academic confirmed she will do another training session for two new governors before the next meeting.

The Corporation Board **APPROVED** the strategic plan.

**GB13 1635** **MANAGEMENT ACCOUNTS MAY 2014**

The Vice Principal Resources spoke to the previously circulated report and highlighted the following:

- Year to date operating surplus of £677k which is £123k ahead of budget
  - Income £332k behind – mainly due to Tuition Fees (£178k), Adult Skills (£116k) and Additional Support income (£52k)
  - Pay expenditure is £234k less than budgeted and is mainly in the Teaching and Teaching Support areas as a result of lower student numbers than budgeted
  - Non-Pay expenses are £221k less than budget and covers a number of areas across the College including premises maintenance being £139k less than budgeted
- Full Year forecasted outturn of break-even or a small surplus is still considered the most likely outcome

He confirmed that the position at May will not be the final outcome at the end of the year but we are still £352,000 behind on income due to tuition fees and scaled back on nonpay expenses to cover this off.

Currently forecasting an outturn of £33,000 surplus for the year on ordinary operating activities which includes the college condition fund works over the summer. Things are looking good at this stage.

The Chairman questioned why there are 24 variances and whether this is the kind of thing we can expect. The Vice Principal Resources confirmed that this is not usual.

The Corporation Board **APPROVED** the May management accounts.

**GB13 1636** **PROPOSED REVENUE AND CAPITAL BUDGETS 2014/15 AND 3 YEAR FINANCIAL FORECAST**

The Vice Principal Resources spoke to the previously circulated report and advised members that the forecast outturn for the 2013-14 financial year is based upon the forecast that was prepared and submitted to the Board in November 2013. The expectations are broadly the same with an anticipated position of break-even or a small surplus expected. As illustrated in the May management accounts income is behind where the budget but savings in staff and non-staff costs have compensated for this loss.

A draft budget for 2014-15 was attached for approval. This has been constructed at a higher level than hoped as the new curriculum resourcing model (CRM) has taken longer to develop and roll out than originally anticipated. Based on knowledge from discussion with Principalship, Heads of School, initial CRM discussions and review of capital bids the budget has been constructed on an informed basis and reflects the overall strategy and direction of the College. The introduction of the CRM will continue over the coming weeks and will help identify any areas of potential efficiency, development and investment, but this will be managed so that it fits within the envelope of the College budget.

A review of the budget will take place in September / October to determine what impact the 2014 intake has on the finances of the College.

Patrick Trotter asked how the College would manage the money if required and the Vice Principal Resources confirmed that it could be through the maintenance budget.

In relation to the proposed investment of £96k in equipment for TV/Film, Photography and the Art Café in Hartlepool Steve Blanks questioned how the equipment is used during the summer months. The Vice Principal Resources confirmed that this hadn't been considered in budgets this year but will be considered in future year. Steve suggested the elderly population could be useful.

The Corporation Board **APPROVED** the Budget for 2014/15.

#### **GB13 1637 HEALTH AND SAFETY ANNUAL REPORT**

The Vice Principal Resources spoke to the previously circulated Health and Safety Annual report and advised members that the college Health and Safety policy had been reviewed and updated and is in the process of formal approval to enable it to be uploaded to the intranet. Site inspections have been carried out at each Campus during the year, only minor housekeeping issues were found and they were addressed at or soon after the inspections. No major health and safety hazards or risks were found. Fire drills have been successfully carried out and recorded on a regular basis at all sites and fire detection and fire fighting equipment has been serviced in accordance with regulations. A review of the Fire Marshals procedures has identified where improvements to their procedures can be made and therefore improve the effectiveness

of their role. These will be implemented during the summer period. Staff training sessions for Health and safety Basics, The Management of Health and Safety, Risk Assessment and Stress at Work are currently being presented to staff over the summer months.

In May, KPMG carried out a follow up audit to the internal H&S audit by RSM Tenon (which was carried out during May 2013), points relating to the recording of risk assessment reviews, risk assessment training and H&S policy review were raised. The current H&S training and review of the H&S policy will address these issues. There has been a reduction of 35% in the number of incidents since 2011/12 and a reduction of 10% since 2012/13. Finally there were 2 RIDDOR reportable incidents during the year, one involving a member of staff who was absent for more than 7 days. The other involved a student who broke a bone in her foot.

Ian Butchart mentioned that KPMG is following up outstanding areas in relation to Health and Safety.

The Corporation Board **APPROVED** the Health and Safety Annual Report.

**GB13 1638** **INTERNAL AUDIT ANNUAL PLAN FOR 2014/15**

The Vice Principal Resources spoke to the previously circulated report which set out the scope of work for 2014/15 which included audits for student recruitment, curriculum planning, high level financial controls, corporate governance and succession planning which were described in detail on page 8. KPMG confirmed that the plan is in line with the 3 year strategic internal audit plan and aligned to the College risk register. It was noted that the Audit Committee had approved in principle the plan.

Ian Butchart advised members that the College had received a clean bill of health by KPMG.

The Corporation Board **APPROVED** the Internal Audit Plan for 2014/15

**GB13 1639** **EXTERNAL AUDIT PLAN 2014/15**

The Vice Principal Resources spoke to the previously circulated report. Having informed members of the engagement objectives and the audit approach, timetable and scope he referred members to the key risks affecting the Plan.

He indicated that the areas of Income recognition, pension scheme liabilities, going concern, management override of controls, restructuring costs, buildings works and subcontract arrangements were to be looked at. It was noted that the Audit Committee had approved in principle the plan.

The Corporation Board **APPROVED** the External Audit Plan for 2014/15.

**GB13 1640** **UPDATE FROM COMMITTEES**

The Chairman introduced the update from Committees paper which had been produced by the Chairs of the Committee's and Clerk identifying key issues for the Boards attention.

The Corporation Board **DISCUSSED** and **NOTED** the update from Committees

**GB13 1641 ESCALATION OF RISK TO THE BOARD**

The Vice Principal Resources spoke to the previously circulated paper which proposed that the risk register is kept under review at the Audit Committee and discussed in detail. Any new risks will be brought to the attention of the Board through this as a standing item.

The Corporation Board **DISCUSSED** and **NOTED** the paper.

**GB13 1642 REPORT ON COMPLAINTS AND COMPLIMENTS**

The Vice Principal Academic presented the report on complaints, which were restricted to official written complaints but included one telephone complaint from a parent. 5 complaints were received including the verbal telephone complaint. All complaints related to the way people behave and treat each other. Action plans were developed and implemented. A mediation stage now been wrote into the complaints policy to allow discussion before writing an official complaint.

The Vice Principal has given a briefing to staff on respect in the workplace which members can review on the intranet.

The Corporation Board **DISCUSSED** and **NOTED** the paper.

**GB13 1643 REPORT ON THE PARTNERSHIP WITH THE ARTS UNIVERSITY BOURNMOUTH**

The Principal presented the report which had been produced to set out the relationship with the awarding partner, Arts University Bournemouth.

In summary, during 2013-14 the College initiated regular telephone conference calls (every 6-8 weeks) between AUB's Director of Academic Services, Jon Renyard, and the College's Academic Registrar, Vice Principal (Academic) and (when available) the Principal. This arrangement is relatively new bur seems to be working well as a means of highlighting and resolving any emerging issues in the relationship between the two institutions.

In addition, Emma Hunt, AUB's new Deputy Vice Chancellor visited the College in order to meet the staff and view College facilities. This allowed discussion with the Vice Principal (academic) and the Principal relating to the likely future relationships between the institutions.

Generally, there has been a good working relationship between CCAD Staff and AUB staff.

The Corporation Board **DISCUSSED AND NOTED** the report.

**GB13 1644** **REVIEW OF HE ACADEMIC BOARD ACTIVITY**

The Principal spoke to the previously circulated report and reminded members that HE Academic Board was set up as a committee of the Board and it has been developed over the last few years to align the academic infrastructure as to what would be expected under TDAP. The debate has developed and the record of debate needs to be looked at in more detail. The HE Academic Board was of the view that it should continue and that it was doing good work and its sub committees should continue. New members of academic teaching staff have been invited to attend to extend the membership.

The Principal advised members that the HE Academic Board would prefer not to continue to be performance managed by the Board and be treated as a sub committee. In addition that the Board works with Eversheds on its future governance arrangements going forward.

Principal /  
Clerk

The Chairman asked what role the HE Academic Board would play in the TDAP plan and the Principal confirmed that it would play a key role and need to operate appropriately with how a HEI committee would operate.

Robin Simmons confirmed that it needs to operate as a vibrant working committee.

Phil Trotter questions whether it would need to have a degree of independence and the Principal confirmed that it would which is why the membership needs increasing to reflect this.

Robin Simmons confirmed that relationships with other HEIs would be useful for benchmarking and good practice.

The Chairman suggested that it may be useful for Robin Simmons become involved in the HE Academic Board and the Principal noted this.

Principal

The Corporation Board **DISCUSSED** and agreed that henceforth the Academic Board may operate without an exceptional annual review process.

Principal /  
Clerk

**GB13 1645** **MINUTES OF THE COMMITTEE MEETINGS**

- 1. Unconfirmed minutes of the Audit Committee Meeting held on 13 June 2014** – Ian Butchart advised members that he had asked Internal Audit for assurance on membership numbers due to losing a member and it was noted that the number of members on the Committee was consistent with other establishments. Page 3 question around governor engagement with stakeholders raised again and still needs to be picked up.
- 2. Unconfirmed minutes of the Governance and Search Committee held on 23 May 2014** – Phil Trotter confirmed that the Committee did review the governor profile and

highlighted that the desirable criteria of a senior academic or art and design individual within national setting would be desirable. Page 2 – attendance policy need to look at.

3. **Unconfirmed minutes of the Quality and Academic Standards Committee held on 6 June 2014 - noted**
4. **Unconfirmed minutes of the Finance and Resources Committee held on 20 June 2014 – noted.**

**GB13 1646 RISK MANAGEMENT**

The Vice Principal Resources highlighted the need for the finance scrutiny and the new governance arrangements to be on risk register.

VP  
Resources

**GB13 1647 ANY OTHER BUSINESS**

There were no items of any other business.

**GB13 1648 CONFIDENTIAL ITEMS**

It was agreed by the Corporation Board that the Property Items covered in the report were confidential.

Clerk

**GB13 1649 DATE AND TIME OF NEXT MEETING**

The next meeting of Governing Body Members would be a Strategy Day due to be held on 10 October 2014.

All

The next Corporation Board will take place on 21 November 2014 at 12.00.

Signed: .....

Name: .....

Date: .....