

**CONFIRMED MINUTES OF THE MEETING OF THE CORPORATION BOARD
HELD ON FRIDAY 21 NOVEMBER 2014
IN ROOM 9, MUNICIPAL BUILDINGS, HARTLEPOOL**

Present

Graham Robson	Chair, Independent Member
Phil Trotter	Independent Member
Sarah Fawcett	Independent Member
Mark Stokeld	Independent Member
Bob Kerr	Independent Member
Ian Swain	Independent Member
Robin Simmons	Independent Member
Jamie Macdonald	Staff member
Charly Butler	Staff member
Martin Raby	Principal
Jenny Morrison	FE Student Member
Amy Rodgers	HE Student Member

Also in attendance

Jill Fernie-Clarke	Vice Principal Academic
Stuart Slorach	Vice Principal Resources
Jackie White	Clerk to the Corporation
Patrick Chapman (for L&D Session)	Employability Manager
Simon Morris (for L&D Session)	Student Services Manager

WELCOME AND INTRODUCTIONS

The Chairman welcomed members to the meeting and advised the student body had selected Amy Rodgers for HE and Jenny Morrison for FE as student governors

GB14 0017 LEARNING AND DEVELOPMENT SESSION

The first learning and development session was undertaken by Patrick Chapman who attended and presented an update to the Board on the responsibilities of the governing body for engaging with its community and how the College is delivering this. Secondly Simon Morris, Student Services Manager attended and presented a session on safeguarding and the roles and responsibilities, policies and procedures of the College and Sarah Fawcett was introduced as Governing Body member safeguarding lead.

GB14 0018 APOLOGIES FOR ABSENCE

The following apologies for absence had been received:

Patrick Smith, Ian Butchart and Steve Blanks Independent Members; Andrea Goodwill Staff Member.

GB14 0019 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.

GB14 0020 DECLARATIONS OF INTEREST

No declarations were raised.

GB14 0021 MINUTES OF THE PREVIOUS MEETING.

The minutes of the previous meetings held on 4 July 2014, 4 September 2014 and 11 September 2014 were recorded as a true and accurate record.

Clerk

GB14 0022 MATTERS ARISING

Min Ref GB13 1630 – contractual arrangements were entered into and the lease was signed and sealed. Other contractual arrangements are still outstanding.

Min Ref GB13 1631 – still outstanding.

Min Ref GB13 1644 – The Principal confirmed he had spoken to a subject specialist at the AOC to assist with governance arrangements for the HE Academic Board going forward. The Clerk confirmed that the HE Academic Board would now be managed as a Board sub committee. The Principal confirmed that Robin Simmons had been approached with regard to involvement in the HE Academic Board.

Min Ref GB13 1646 - The Vice Principal Resources confirmed that finance scrutiny and the new governance arrangements were contained on the risk register.

GB14 0023 MEMBERS ISSUES

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

Phil Trotter confirmed that he had met staff for HE and FE in relation to his buddy area and will be attending courses next week and speaking to students. Sarah Fawcett confirmed she will be seeing her buddy next week and Ian Swain and Mark Stokeld discussed that they were still arranging to meet with their buddies.

The Chairman confirmed that he had met with his buddies twice now and participated in a course.

The Principal confirmed that Patrick Smith had also met with his buddy, although wasn't at the meeting to update.

GB14 0024 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 members attention to an additional document which he tabled in relation to information received at the AOC conference. The presentation highlighted 3 themes, curriculum issues, higher skills gap and efficiency. Under curriculum issues the Principal highlighted the recurring theme of students who do not achieve GCSE Grade D, with the pass rate for 2nd attempters around 40%. There is recognition that there needs to be some further solutions, for example functional skills. In terms of the higher skills gap it was noted that there is a feeling that the provision at FE and HE is ok but there is a debate around HNC level provision. In terms of efficiency, there was discussion around online training provision and moving to a provision of 50% online.

Finally the Chair invited comments from members on the student data and staff and governor update. Sarah Fawcett discussed that she felt it was easy to read and understandable. Phil Trotter suggested to members that in relation to the possible two new governors, that the system for appointing governors be reviewed to allow the Chairman or Vice Chairman to have an initial meeting and make a recommendation on suitability to the Board. Members supported this approach and suggested that the Clerk be involved in the meetings. It was agreed that the Clerk revise the process.

GB14 0025 SAFEGUARDING ANNUAL REPORT

The Vice Principal Academic spoke to the previously circulated report on Safeguarding and highlighted the work that has taken place in the 2013/14 academic year. In particular members noted that:

- The College has an effective procedure for identifying and addressing general student needs
- Two issues were referred to Social Services during 2013/14
- A number of specific issues were dealt with including cyber bullying and use of blades
- Good links continue with the Local Safeguarding Children's Board
- Safeguarding issues covered within the Equality and Diversity Committee

Phil Trotter requested that the minutes of the Safeguarding Committee be shared with the Corporation Board and the Vice Principal Academic confirmed that these would be circulated. The Chairman commented that he would like to also receive at Corporation Board a quarterly report on staff attendance / completion of mandatory safeguarding training and again the Vice Principal Academic agreed to provide this.

VP
Academic /
Clerk

The Corporation Board **APPROVED** the Annual Safeguarding Report.

GB14 0026 OFSTED PREPARATION UPDATE

The Vice Principal Academic spoke to the previously circulated report which provided a narrative detailing the progress made since September 2014 to date regarding preparation for a potential Ofsted visit. The report identifies work on areas such as lesson observations which are reviewed, a new structure for safeguarding, development of an Ofsted preparation group, communications and briefings to staff and a new validation system for course reviews.

Phil Trotter commented that the report was useful but he felt that more information for governors was required. The Chairman agreed that Ofsted would remain as a standing item on the Corporation Board meeting.

Clerk

The Corporation Board **DISCUSSED** the Ofsted preparation report.

GB14 0027 RESULTS OF THE NATIONAL STUDENT SURVEY

The Vice Principal Academic spoke to the previously circulated report on the results of the national student survey which was undertaken in January and gives students opportunity to give opinions on what they like about their time at the College / course as well as things that they feel could have been improved. The feedback is used to compile year on year comparative data. Results are publicly available to prospective students, their families and advisors to help make informed choices of where and what to study. The survey is administered by Ipsos MORI, an independent market research agency. It was noted that overall CCAD are slightly above the national benchmarks in every area assessed.

Phil Trotter questioned whether the College were aware of the numbers of students who responded to the survey, and the Principal confirmed that the College was aware. He also confirmed that an IPAD was offered as an incentive to CCAD students to complete the survey. Amy Rodgers commented that there was some concern by students that in order to be eligible for the IPAD their responses would not be anonymous. The Principal confirmed that Ipsos MORI coordinated the random selection of the CCAD student to receive the IPAD and therefore it was anonymous, however he did note that this may not have been clear. The Principal suggested that perhaps a briefing for students regarding the process may be beneficial for this years survey.

Phil Trotter also questioned how many other surveys the students undertake and the Vice Principal Academic confirmed that the College does undertake several other surveys aimed at module and programme evaluation.

The Principal commented that the survey results were overall respectable and marginally up on the national average, the Vice Principal Academic felt the results were disappointing.

The Corporation Board **DISCUSSED** the National Student Survey report.

Bob Kerr, Independent Governor left the meeting.

GB14 0028 **EQUALITY AND DIVERSITY ANNUAL REPORT**

The Vice Principal Academic discussed the Equality and Diversity Annual Report which had been circulated and highlighted some of the work that has been undertaken to support the College priorities.

- Data on enrolment and retention shows no significant disparity between students with protected characteristics.
- There is a disparity at both HE and FE in the numbers of male versus female students with male students being in the minority (33% at FE and 20% at HE). Subjects such as textiles remain stereotypically female.
- Female students show higher rates of the achievement of high grades. In most instances retention rates show parity.
- Data appears to be unreliable in that the numbers of students identifying with these protected characteristics are too small to show significance. In itself this may be significant in that the College population appears not to be diverse.
- Data for staff shows a gender imbalance with a higher percentage of male managers whilst the majority of non-managers are female. Increasing job share opportunities has been identified as an action to address the imbalance at non-manager level

There was a lengthy debate regarding areas of under-representation, ethnicity and benchmarking with similar specialist institutes. Robin Simmons commented that art and design does have low participation with BME groups, generally nationally. The Chairman suggested that it may be useful to explore further the ethnic composition of the College's catchment areas, by age groups and programmes and Mark Stokeld reminded members that a similar discussion had been held within the Quality and Academic Standards Committee which had now been dissolved.

The Chairman noted that there were outstanding actions within the action plan and the Vice Principal confirmed that matters were being addressed.

The Corporation Board **DISCUSSED** and **APPROVED** the Equality and Diversity Annual Report.

GB14 0029 **ACCOMMODATION STRATEGY**

Confidential paper.

GB14 0030 **PROCUREMENT RELATING TO LOCAL GROWTH FUND PROJECT**

Confidential paper.

GB14 0031 MANAGEMENT ACCOUNTS FOR 31 JULY 2014

The Vice Principal Resources presented the management accounts of the College for twelve months ending 31 July 2014. It was noted that draft figures for the management accounts were included as part of the Principal's report at the 10th November Board meeting. Initial indications were that the College would be reporting a surplus of £167k for the financial year ended 31st July 2014. This included adjustments for the Lime Crescent refurbishment and the FRS 17 adjustment for pension valuations. Without these items we would have expected the results to have been more in the region of £279k for the year. Since then we have undergone external audit of the financial statements from Baker Tilly and they have advised us that we cannot accrue the full amount of costs that we had intended for the roof works and for Lime Crescent.

This has led to some adjustments in the accounts and the final draft audited outturn for the year is a surplus of £474k.

Baker Tilly have worked with the College to ensure that as much as possible of the costs appear in 2013/14 that would not make them uncomfortable. Much of this swing has been due to the late completion of works for the roof, which was hampered by availability of contractors and the weather to an extent. In other organisations these accruals are often seen as prudent and sensible but Baker Tilly are clearly a more cautious auditor than anticipated.

This is unfortunate as it leaves the College with overinflated results for the 2013/14 financial year. Costs were controlled to enable the roofing and Lime Crescent works to be funded in 2013/14, but due to practical delays much of the expenditure has straddled the year end and ended up in 2014/15. This leads to a confusing picture for readers of the accounts who may interpret the results as being a great year in 2013/14 and a poor year in 2014/15, whereas in reality, once you strip out such items, the years are on a par.

The Vice Principal went on to advise members that there is a knock on impact into 2014/15 as the items in question are paid for in the current financial year. Utilising various accruals that we would deem as being no longer required the risk to the 2014/15 outturn is in the region of £112k, which if added to the budget for the year would lead to a loss of £74k for the year. The college is undergoing a review of its forecasted outturn for the year and hopefully this loss will be reduced as a result of this exercise.

Finally it was noted that the audit team were extremely complementary about the presentation and content of the accounts which is down to the hard work of Clare Moore the Financial Controller. The Board wished to thank Clare for her hard work.

Clerk on
behalf of
Chair

The Corporation Board APPROVED the Management Accounts for July 2014.

GB14 0032 MANAGEMENT ACCOUNTS 30 SEPTEMBER 2014

The Vice Principal Resources spoke to the previously circulated report and management accounts for September 2014, highlighting the following:

- Year to date operating loss of £748k which is £18k worse than budget
 - Income £47k behind – this is across a number of areas and a forecasting exercise is taking place to look at the HE fee income which will be less than budgeted due to less than expected recruitment and retention
 - Pay expenditure is £77k less than budgeted as a number of post are yet to be recruited to within teaching support, administration and marketing. The budgeted 1% pay-rise has not been implemented which also contributes to this variance
 - Non-Pay expenses are £48k more than budget – savings across a number of areas is offset by the Lime Crescent and roofing works costs which have meant that the premises budgets are £171k over budget in the first 2 months of the year.
- Full Year forecasted outturn of break-even is still hoped for and a forecasting exercise is commencing to look at this.

The Chairman advised he was nervous about the impact of the national funding cuts on the budget and the Vice Principal Resources confirmed that he is undertaking a forecasting exercise to enable the financial strategy to be developed. The Chairman questioned whether the Vice Principal Resources was nervous regarding the borrowing level of the College and he confirmed that it was fine and forecast into the financial plan.

The Vice Principal Academic discussed that it is not anticipated that students would fail or leave between years and there were a mix of issues such as the course being too hard, personal issues, different awarding board arrangements, however different strategies were not in place to manage this situation.

Mark Stokeld commented that the Quality and Academic Standards Committee did examine this type of information previously and that we need to ensure that these issues are being addressed.

The Chairman confirmed that this type of information is now contained in the Principal's monthly report and the Vice Principal Academic confirmed that the Annual Overview Report will be presented to the next Board meeting will pick up these issues.

Clerk / VP
Academic

Amy Rodgers commented that she felt that students were leaving due to not achieving the level of grade required rather than any specific issues with the awarding board changing.

The Corporation Board **APPROVED** the Management Accounts for September 2014.

GB14 0033 **STUDENT ACCOMMODATION AND PROPERTY GROUP MINUTES OF MEETINGS HELD ON 3 OCTOBER 2013, 6 JUNE 2014, 10 JULY 2014 AND 10 OCTOBER 2014**

The Corporation Board received and noted the work of the group.

Amy Rodgers left the meeting.

GB14 0034 **CONFLICTS OF INTEREST POLICY**

The Clerk spoke to the previously circulated Policy on Conflicts of Interest and advised members that the policy had been updated to reflect the latest legislation relating to the Charity Commission's guide "Conflicts of interest: a guide for charity trustees".

Phil Trotter commented that he did not feel comfortable with the sentence "decision of the chair as to whether a member has failed to disclose a relevant interest shall be final" and it was requested that the Clerk re-word the section Failure to disclose a relevant interest for consideration at a future Board meeting.

Clerk

The Corporation Board **DID NOT APPROVE** the Policy.

GB14 0035 **USE OF THE SEAL**

The Clerk presented a paper which confirmed that the Seal had been used to seal Lease, Licence for alteration, Management Agreement for Lime Crescent and Nomination Agreement, Management Agreement for Crown Halls.

The Corporation Board **NOTED** the use of the seal

GB14 0036 **TERMS OF REFERENCE GOVERNANCE OVERSIGHT WORKING GROUP**

The Clerk spoke to the previously circulated DRAFT terms of reference for the establishment of a Governance Oversight Working Group which will be established on a time limited basis to oversee the governance changes instigated by the Board at its governance review.

Phil Trotter commented that the membership of no less than three members seemed small and that perhaps one member from each of the dissolved committees be a member of the group.

It was agreed that the Clerk would email members to see if anyone is interested in being a member of the Governance Oversight Working Group. Mark Stokeld expressed an interest at this point, and Phil Trotter also recommended Patrick Smith

Clerk

as Vice Chairman of the Corporation Board to Chair the meeting.

The Chairman requested that a meeting be put in the diary for the group as soon as possible and reported back to the Board in December.

The Corporation Board **APPROVED** the Terms of Reference subject to increasing the membership.

GB14 0037 **RISK UPDATE**

The Vice Principal Resources presented a paper on the high level risks facing the College. The risks has been identified by the various Committees and Principalship. The Risk Register will be reviewed in more detail by the Audit Committee but this is an opportunity to flag that there are a number of new risks which have been added or amended:

- Student Accommodation is insufficient to meet future growth requirements – risk to 2015 and 2016 intakes
- Local Growth Fund Project – risk that does not pass due diligence
- Local Growth Fund Project – loan finance not available
- Local Growth Fund Project – diversion of management time and effort
- FE Under-recruitment – impact on 2015/16

Mark Stokeld suggested that student retention be added as a risk, however the Principal confirmed that this report identified the high level strategic risks of which student retention was not one.

The Chairman suggested that the Political landscape be added to the high level risks and the Vice Principal Resources agreed.

The Corporation Board **DISCUSSED** the Risk Report.

GB14 0038 **REVIEW OF MEETING CONDUCT AND ITEMS FOR THE RISK REGISTER**

Phil Trotter commented that he did not feel that the meeting had been different to the format of the last academic year and there were still a lot of papers. Ian Swain commented that he did feel like more time had been spent on discussing items, as did Mark Stokeld, the Vice Principal Academic and the Clerk.

Sarah Fawcett commented that she felt that it was a good idea to incorporate the learning and development session within the main part of the Board meeting and Phil Trotter felt the front summary sheets were a good introduction.

VP
Resource
S

Jamie McDonald felt that the student representatives had made a good contribution to the meeting.

The Chairman discussed that he had liked the format of the agenda which focussed on elements of the Strategic Plan and the silent papers, however the timings of items still need further work.

GB14 0039 **CONFIDENTIAL ITEMS**

It was agreed that elements relating to property within the Principals report (1.8), the Accommodation Strategy (4.1), Procurement relating to Local Growth Fund Project (4.2) were confidential and should be withdrawn from the public papers.

Clerk

GB14 0040 **DATE AND TIME OF NEXT MEETING**

The next meeting of the Corporation Board will be held on Friday 19 December 2014 at 12.00 pm on the Middlesbrough Campus. An invitation to attend for Christmas lunch with the staff from the Middlesbrough Campus has been extended to Governing Body members.

All

Signed:

Name:

Date: