



Minutes of a Meeting of the Board of the Corporation

held in the Conference Room of the College
on 21st May 2013 at 5.30pm.

Present:

Mr G Marshall (Vice Chairman), Mr A Croney, Mr G Gibson, Mr D Waugh, Mr J Davies, Mr D Temperley, Mrs G Granath, Mr K Temperley.

Apologies:

Mr T Edwards (Chairman), Mrs S Nicholson, Mr J Lyle. Mrs K Redhead, (Director of Curriculum and Quality).

In attendance:

Mrs Oman, (Director of Finance and Resources), Mrs S Errington, (Director of Business Development), Mr M Sowerby, (Clerk to the Corporation).

1. Introduction

1.1. The Vice Chairman welcomed everyone present and informed Members that because the Chairman was on holiday he would chair this evening's meeting.

2. Declarations of Interest

2.1. There were no declarations of interest.

3. Minutes of a meeting of the Board of the Corporation held on Tuesday 26th March 2013

Matters arising:

3.1. Item 7.1.1. The Director of Finance and Resources informed Members that a finance briefing session had taken place prior to this evening's meeting. Four Members had attended the session. The Acting Chairman thanked the Director of Finance and Resources for the session which had lasted one hour and had been very informative. The Director of Finance and Resources informed Members that she will continue to run these briefing sessions, immediately prior to Board meetings, and all Members are invited.

3.2. Item 7.2.2. The Director of Finance and Resources informed Members that dates for the selection and interview of candidates for the post of Catering Manager have now been agreed.

Agreed:

3.3. **THAT the Board receive the minutes as a true record.**

4. Chairman's verbal report

In the absence of the Chairman the Acting Chairman read out the Chairman's report.

4.1. Interview and appointment of Director of Finance.

On behalf of the Board and at the request of the Principal, the Chairman and David Temperley attended two meetings. The first was to create the shortlist and the second to interview the short listed candidates. From nine applications, three were short listed for interviews. It was the unanimous decision of the interview panel to offer the appointment to Mrs Sally Oman, who had been fulfilling the role on a temporary basis following the resignation of Richard Oliver. The Chairman offered his personal congratulations to Sally and stated that the Board was looking forward to working with her.

4.2. Future Strategies.

Following a request from the Principal, the Chairman and Vice Chairman attended a meeting to discuss the issues surrounding the future of Future Strategies. The Principal will provide further details on this matter in his report. After the meeting with the Principal the Chairman and Vice Chairman, on behalf of the Board, signed a report which was to be sent to the Skills Funding Agency.

4.3. Ministerial Response

The Chairman reminded Members that he was offered the opportunity to be a member of a Virtual Reporting Group on issues of Governance. The Chairman had sent a response to the initial request and subsequently had been asked to comment further. Any further outcomes will be reported at the next Board meeting.

4.4. Awards Evening

After the last event, discussions had taken place with the Director of Business Development and the Marketing Team about the suitability of the Empire Theatre. It was agreed that, for a number of reasons, an alternative location for the Awards would be looked for. After further discussion it was agreed that the College could provide a suitable location which would have benefits of better control of the evening, with more suitable space for VIP guests, as well as giving the opportunity for the members of the community to see the college for themselves.

A meeting to discuss costs and location suitability was subsequently arranged with the provider of equipment that had been used at the Empire Theatre. There was a satisfactory outcome to that meeting and I am pleased to report that the next Awards Event will be held in the front area of the College.

Agreed:

4.5. THAT the Board receive the Chairman's report.

5. Principal's report

5.1 The Principal presented his report which included the following:

- Partnership Contract Values and Performance
- Langley Park

- Future Strategies – Confidential Item

5.2 Partnership Contract Values and Performance

5.2.1. The Principal presented his report and highlighted the funding allocations for 16-18 Learner Responsive, 16-18 Apprentices and Adult Skills. Performance up to the 10th May in each category was then outlined. Members were informed that a request will be made to the Skills Funding Agency (SFA) for additional funds but it is unlikely that the request will be granted at this time in the year. However the SFA review allocations and performance during the first quarter of the year and a rebalancing of funding normally takes place. Under- performing colleges have their allocation reduced and over- performing colleges receive a larger allocation. The College should be notified in September or October if our funding allocation is to be increased.

5.2.2. The Principal then outlined the performance of several of the partners. Following questions the Principal confirmed that in order to effectively manage the current and future level of partners and continue to succeed in the ever changing Further Education sector a lot of restructuring within the College will need to take place. The Principal outlined several restructuring proposals and informed Members that the detail of all the proposals will be presented and discussed at the Strategic Planning day.

5.2.3. Following further questions about individual partners the Principal provided members with further details including how well partners were performing and the due diligence which has taken place. The Principal praised the College staff working with the partners and gave particular mention to the Director of Business Development and the Assistant Director of Curriculum and Quality for their work with a potential partner.

Agreed:

5.2.4. THAT the Board note the Partnership Contract Values and Performance update.

5.3. Langley Park

5.3.1. The Principal provided Members with the background to this item and then explained the current situation. Members were informed that following the meeting with Durham County Council on the 17th April the Principal contacted the company interested in purchasing the property and asked if they would agree to a restrictive covenant as a condition of the sale. The Principal informed Members that he has still not received a reply.

5.3.2. Following a question from the Acting Chairman the Principal confirmed that due to the timing of the disposal the repayment amount due to the County Council would be £20k.

Agreed:

5.3.3. THAT the Board note the current situation.

5.4. Future Strategies – Confidential Item

6. Finance and Resources Reports

6.1. Finance Report for the period to 30th April 2013.

6.1.1. The Director of Finance and Resources explained the format of the report and outlined each of the four schedules. Members were informed that the figures within the report do not include the amount claimed against Future Strategies, for the additional work undertaken by the College. If the College claim is successful the figures will improve.

6.1.2. The Director of Finance and Resources then described each schedule in detail. Members were informed that the surplus for the period was £44k but hidden behind this figure were a lot of positive and negative variances. The Director of Finance and Resources then highlighted the variances.

6.1.3. The Director of Finance and Resources then explained the changes to the reporting of the loan items on the Balance Sheet contained in schedule two of the report. At this point the Director of Finance and Resources tabled a report on the inter-company balances.

6.1.4. Members were advised that following discussions with Baker Tilly a course of action has been proposed which if agreed would lead to the elimination of the inter-company balances. Members were given details of the proposal. Following comments the Director of Finance and Resources confirmed that because all of the companies are wholly owned subsidiaries of the College the risk is minimal, there will be no need to file audited accounts for these companies in future and the College Balance Sheet and accounts will be tidied up.

Agreed:

6.1.5. THAT the Board approve the proposal.

6.1.6. The Director of Finance and Resources then continued with the Finance Report and outlined the cash flow forecast in schedule three of the report and the full year forecast in schedule four.

6.1.7. Following a question the Director of Finance and Resources agreed to ascertain why the amount for full time teaching costs in November was higher than the rest of the year and inform the Member of the outcome.

6.1.8. Members were informed that a new Facilities Manager has been appointed and will commence work on the 3rd June. The Acting Chairman requested that the thanks and good wishes of the Board be passed onto Paul Roberts, the retiring Facilities Manager.

Agreed:

6.1.9. THAT the Board note the financial position as at 30th April 2013, the full year forecast and the additional points made in the report.

6.2 Baker Tilly Engagement Terms – Pension Audit

6.2.1. The Director of Finance and Resources tabled a report regarding the requirement to revise the letter of engagement with Baker Tilly in relation to the amended Teacher's Pension audit.

Agreed:

6.2.2. THAT the Board note the situation and give authority to the Principal to sign the new terms of engagement.

7. *Board Matters*

7.1. Appointment of Chairman

7.1.1. The Clerk informed Members that the two year term of office of the Chairman expires this month. At the last meeting of the Board the Chairman stated he would be prepared to stand for a final further term. The Clerk asked if there were any other candidates and there were none.

7.1.2. The re-appointment of the Chairman was then proposed and seconded.

Agreed:

7.1.3. THAT the Board re-appoint Mr Edwards for a further two year term of office.

7.2. Training and Effectiveness

7.2.1. Training - The Clerk informed Members of the following AoC event:

- Effective scrutiny of teaching, learning and assessment, to be held on the 4th July 2013 at New College Durham.

The Clerk distributed details of the event to the Members present.

7.2.2. The Clerk also distributed details of the Strategic Planning Day and reminded Members of the informal lunch on the 5th June 2013. Members were asked to inform the Clerk if they were interested in attending any of the events.

8. *Next meeting Agenda*

8.1. Items for the next meeting include:

- Declarations of Interest
- Minutes of the previous meeting
- Draft minutes of the Audit Committee meeting held on 1st July 2013

- Chairman's verbal report
- Principal's report
- Strategic Review Presentation
- Finance report.
- 2013/2014 Budget and Three year financial forecasts report
- Fees and Charges Policy
- Staff survey
- Quality Improvement Plan update report

11. *Any other business*

11.1. There were no items of other business.

12. *Date of next meeting*

12.1. The date of the next meeting is Tuesday 23rd July at 5.30pm.

The meeting closed at 6.45pm.