



Derwentside
College

Board of the Corporation

**Minutes of a meeting of the
Board of the Corporation**

held in the Albert Cronney Suite on
Tuesday 6th October at 5.30pm.

Present:

Mr T Edwards (Chairman)

Mrs K Redhead, Mr G Marshall, Mrs S Nicholson, Mr D Temperley, Mr M Short, Mrs C Richards and Ms A Form.

Apologies:

Mr J Davies, Mrs G Granath, Mr G Gibson.

In attendance:

Mr C Todd Director of Finance and Resources.

Mr N Lister Vice-Principal Curriculum and Quality.

Mrs S Errington Director of Business Development.

Mr M Sowerby (Clerk to the Corporation).

1. Introduction

1.1. The Chairman welcomed everyone to the meeting.

2. Presentation

2.1. The Chairman informed Members that he, the Principal and the Clerk had attended an AoC event. The event had originally been advertised as an opportunity to look at Intervention with the FE Commissioner. However due to the interest in FE Sector Area Reviews the topic of the event was changed.

2.2. The Chairman then presented a summary of the event. Details of the presentation are included in the appendix at the end of the minutes.

2.3. Following the presentation a number of comments and questions were raised and the Chairman and Principal provided the following further information:

If colleges are in financial difficulties they will have difficulty rejecting the outcome of their review.

The FE Commissioner may support colleges who have valid reasons for rejecting the outcome of the review.

There may be more than one recommendation in each review.

The AoC are seeking to get re-assurance from the Government that there is no ulterior motive behind the reviews.

Three of the ten Teeside Colleges have already had intervention measures.

Derwentside College is a small minnow in a very large pond, we have good quality provision, we are financially viable, we meet the needs of the area. We seem to be providing everything the Government wants.

It is anticipated that after the Spending Review, 200 colleges will have a poor financial score. There will be no bail out by Government. The reviews are an attempt to stop the collapse of colleges before it happens. Failing colleges will not stop Government cuts.

It will be up to this Board to decide to agree or reject the outcome of the review.

The Presentation ended at 6.05pm

3. *Declarations of Interest*

3.1. There were no declarations of interest.

4. *Minutes of a meeting of the Board of the Corporation held on Tuesday 21st July 2015*

Matters arising:

4.1. In relation to item 3.2. The Student Forum. Following a question from the Chairman the Vice-Principal Curriculum and Quality informed Members that a meeting with students is to take place within the next 2 – 3 weeks and it was still the target to have the Forum set up by Christmas. Progress will be reported to the next meeting of the Board.

4.2. In relation to item 6.3.3. Large Employers. Following a question the Principal confirmed that for the purposes of the training levy a large employer is one with 250 or more employees.

4.3. In relation to item 6.5.2. Reece Taylor. The Principal informed Members that Reece has been approached and has confirmed that he would be willing to meet the Board. However it would have to be before a Board meeting, instead of a lunch, so that Reece did not have to take more time off work.

4.4. In relation to item 8.3.3. Release Potential. The Principal informed Members that after a considerable amount of work by the Director of Business Development and Business Manager, Release Potential are now likely to achieve a 70% success rate.

4.5. In relation to item 11.1. The Quality Task Group. Following a question from the Chairman the Principal advised Members that when the findings of the Member Personal Reviews are available the focus of the Quality Task Group will be clarified.

Agreed:

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

5. *Chairman's verbal report*

5.1. The Chairman informed Members that his report consisted of the following items:

- Member Personal Reviews.
- The AoC Governors Council.
- The Awards Event.

5.1.1. Members Personal Review.

5.1.2. The Chairman thanked everyone for participating in the review process and their comments and suggestions. Members were informed that a formal report on the Members Personal Review will be presented to the next meeting of the Board.

5.2. The AoC Governors Council.

5.2.1. The Chairman informed Members that he had been nominated to serve on the AoC Governors Council. Representing the North region the Chairman would be expected to attend at least 4 meetings per year in London. The Chairman had made it clear that if any other nominations were received he would be prepared to stand down. To date no other nominations from the area had been received. The Chairman confirmed that he would update Members at the next meeting.

5.3. The Awards Event.

5.3.1. The Chairman informed Members that Awards Event is to take place at the College on the 26th November 2015. The Chairman stated that in the past Members had been very generous in their support of the event and he hoped that this would continue. Members were asked to donate a minimum of £10 per person toward the Student of the Year award.

Agreed:

5.4. **THAT the Board receive the Chairman's report.**

6. *Principal's report*

6.1. The Principal presented her report which included the following:

- 2014/15 Performance against funding targets
- 2015/16 Recruitment to date

- Comprehensive Spending Review
- Area Reviews
- Strategic Plan 2015/16 to 2017/18
- Reece Taylor / AoC Student of the Year nomination

6.2 2014/15 Performance against funding targets

6.2.1. The Principal presented the report and highlighted a number of sections in the report. Members were informed that the College will continue to draw down achievement funding up to the end of October deadline.

6.2.2. Following a question from the Chairman the Principal confirmed that not all of the further achievement funding in the SFA Adult Apprentice category, will be realised. This is always a variable area, with no consistency from one year to the next. This makes target setting very difficult. It is only in the last couple of months of the year that the situation becomes clearer.

Agreed:

6.2.3. THAT the Board note the 2014/15 Performance against funding targets.

6.3. 2015/16 Recruitment to date

6.3.1. The Principal informed Members that the College has had a very positive start to the year with recruitment up by 40 compared with this time last year. Recruitment to part time courses is double that of last year at this time. Although it is not possible to present a detailed funding report at this time early indications are that we have earned £100k more on 16-18 EFA and carried over around £150k more apprenticeship activity than this time last year. More details will be available for the next meeting of the Board.

6.3.2. Following a question the Director of Business Development confirmed that to date we have 150 more Higher Apprenticeships than this time last year and there is a target to increase Higher Apprenticeships by 15%.

Agreed:

6.3.3. THAT the Board note the current situation

6.4. Comprehensive Spending Review

6.4.1. The Principal provided Members with the background to the Spending Review and reminded Members of the four key points from the July Budget that will affect all Colleges.

- A slight change on departmental spending with big cuts but over a longer four year period:
- A training levy to be paid by large employers to fund apprenticeships:
- A decision to replace higher education student maintenance grants with loans:

- A promise of further devolution covering metropolitan areas and also towns and counties. 35 devolution bids have so far been submitted.

6.4.2. The Principal then advised Members of the expected significant cuts to the 2016/17 allocations. These are likely to include:

- Between 5% - 10% cut in funding rates on EFA 16 – 18 provision. This would be an estimated cut of between £150k - £300k for the College:
- Between 25% – 40% cut in funding allocation on SFA Adult non-apprenticeship provision. This would be an estimated cut of between £550k - £870K for the College:
- An estimated total cut of £700k - £1,170k.

6.4.3. Members were informed that there was no point in waiting until the Spending Review announcements are made in November, so the Senior Management Team have begun to identify necessary expenditure cuts of around £500k. This includes staff expenditure savings of £350k.

6.4.4. Following a question the Director of Finance and Resources and Principal confirmed that expenditure cuts will also come from partners and the non-apprenticeship provision will be cut. Payroll costs in relation to turnover has been a major factor identified in failing colleges by the FE Commissioner. The Director of Finance and Resources informed Members that despite the cuts in his opinion we still have a balanced budget for this year.

Agreed:

6.4.5. THAT the Board note the current situation.

6.5. Area Reviews

6.5.1. The Principal provided Members with further details of the Area Reviews which complimented the Chairman's earlier presentation.

6.5.2. Members were informed that the operational guidance on Area Reviews was published in September and Wave 1 of the Area Reviews has already commenced in the following areas:

- Birmingham and Solihull (4 FE colleges and 3 sixth form colleges)
- Greater Manchester (10 FE colleges and 11 sixth form colleges)
- Sheffield City Region (8 FE colleges and 2 sixth form colleges)
- Tees Valley (6 FE colleges and 4 sixth form colleges)
- Sussex Coast (8 FE colleges and 3 sixth form colleges)
- Solent (7 FE colleges and 6 sixth form colleges)

6.5.3. The Association of Colleges (AoC) continues to press for resources to carry through the reforms and has strengthened its staffing to support colleges through the

Area Review process. This item will be significant in the forthcoming national AoC conference event in Birmingham.

6.5.4. Following a number of questions the Principal informed Members of the following:

- London Colleges are likely to be included in Wave 2 but we do not know if other colleges will also be included in Wave 2:
- By Christmas we should have more details of the process and outcomes. The regional AoC are supporting colleges in Tees Valley and are sharing information with other colleges:
- The review process also includes a two day visit to colleges by the FE Commissioners team:
- Details of any Restructuring Budget will be announced in the Spending Review. It is likely that this will be a loan paid back from the savings made from restructuring. The AoC are pressing for clarity in this area:
- Drop in sessions for staff have been initiated to explain about the Area Reviews and the Spending Review. There is also a page dedicated to Area Reviews on the new Intranet. Members are to be given access to the Intranet. The Chairman suggested that his earlier presentation was included on the intranet page.

6.6. Strategic Plan 2015/16 to 2017/18

6.6.1. Members were informed that the Strategic Plan 2015/16 to 2017/18 is now finalised. The plan has been publicised on the new intranet, in a 'flipping book' format. Hard copies were available for Members at the Board meeting.

6.6.2. Members were advised that due to the significant uncertainties in the further education environment, the plan may have to be revised in the Autumn term once the outcomes of the Spending Review are announced.

6.7. Reece Taylor, AoC Student of the Year nomination

6.7.1. Members were reminded of Reece Taylor's outstanding achievement at the WorldSkills competition in São Paulo, Brazil, where despite having a broken hand he competed and was awarded a Medallion of Excellence.

6.7.2. Members were informed that the College have nominated Reece for the prestigious AoC Student of the Year Award and he has been selected as one of three national finalists for the award. The overall winner will be announced at the AoC national conference in November. Reece and his employer are going to attend the ceremony.

6.7.3. The Board congratulated Reece on another outstanding achievement and wished him every success.

Agreed:

6.7.4. THAT the Board note the contents of the report.

7. *Finance and Resources Reports*

7.1. Finance Report. Period 12 – Confidential Report

7.2. Health and Safety Annual Report 2014/15

7.2.1. The Director of Finance and Resources presented the report and provided Members with details of the reported College and Partner incidents. Members were advised that of the 35 College incidents, 14 related to learners. One of the incidents was Riddor reportable. Partner incidents totalled 52, none of which were Riddor reportable.

7.2.2. Members were then given further details relating to the incidents of violence, fire evacuations, training, the Health and Safety Committee and Risk Assessment compliance.

Agreed:

7.2.3. THAT the Board note the content of the report.

8. *Curriculum and Quality Reports*

8.1 Teaching, Learning and Assessment Report 2014/15

8.1.1 The Vice-Principal provided Members with an explanation of the observation process. Members were advised that a more robust approach to moderation and greater rigour in grading observations has taken place during 2014/15 and this has led to a small decline in the good or better grade profile.

8.1.2. Members were then provided with details of the number of observations undertaken and the overall grade profile. The Vice-Principal outlined the key strengths and the areas requiring improvement that had been identified. Members were informed that both of these areas will be included in the Self-Assessment Report (SAR) and the Quality Improvement Plan (QIP)

8.1.3. Following questions from the Chairman the Vice-Principal confirmed that the totals contained within the body of the report included the Partners and that the 2014/15 profile will be used as a base year in future reports.

Agreed:

8.1.4. THAT the Board note the report, the planned actions and the introduction of Quality Performance Reviews.

8.2 Learner Satisfaction Survey 2014/15

8.2.1. The Vice-Principal provided Members with the background to the report. Members were informed that the SFA survey had received 942 responses from learners from this College and Partners. This number of responses included 468 from apprentices. The rounded score had slightly increased from 8.8/10 last year to 9.0/10 this year. The most and least positive responses were then highlighted. Following a question the Vice- Principal confirmed that because this is an external survey it was not possible to separate the College and Partner learner responses.

8.2.2. The Vice- Principal then provided Members with details of the College 'on programme' survey which had been carried out between May and June 2015. The number of responses totalled 792, 402 from College learners and 390 from Partner learners. The Vice- Principal then highlight the highest and lowest scores received and outlined the actions to be taken as a result of the findings from both of the surveys

8.2.3. Finally the Vice- Principal informed Members of the number and type of complaints that had been received during 2014/15. Members were informed that all of the complaints had been upheld.

Agreed:

8.2.4. THAT the Board note the report and the planned actions.

8.3 Safeguarding Report 2014/15

8.3.1. The Vice- Principal explained the background to the report and outlined how the College had discharged it's duties in relation to safeguarding during 2014/15.

8.3.2. Members were informed that during 2014/15, 5 safeguarding disclosures had been reported and on each occasion the College policy and procedure had been fully complied with. The Vice- Principal provided Members with further details of the five reported disclosures and the number and type of bullying incidents reported during 2014/15.

8.3.3. Following questions from the Chairman the Vice- Principal confirmed that copies of the Procedural Flowchart are displayed in all of the offices. The Director of Business Development informed Members that photographs of the three designated Safeguarding Officers are displayed in all of the classrooms. Members were informed that it is not a legal requirement to have three designated Safeguarding Officers but it is good practise to have more rather than less. It was also confirmed that Members would not require Disclosure and Barring Service (DBS) checks if they were visiting classrooms.

8.3.4. The Vice- Principal informed Members that the policy and procedure document and flowchart had been reviewed and updated to include the contact details of the designated Safeguarding Staff

Agreed:

8.3.5. THAT the Board receive the report and approve the amended Safeguarding Policy and Procedure and associated flowchart.

8.4. Prevent Policy and Procedure

8.4.1. The Vice- Principal provided Members with the background to the report and highlighted several aspects of the policy and procedure including the scope, the principles, related documentation, accountability and Equality and Diversity.

Agreed:

8.4.2. THAT the Board approve the Prevent Policy and Procedure

9. *Director of Business Development Reports*

9.1. Partnership report 2014/15 – Confidential Report

9.1.1. The Director of Business Development provided Members with the background to the report and the College's business development priorities for 2015/16. The Director of Business Development then outlined the 2014/15 partnerships and the monitoring arrangements.

9.1.2. Following a question from the Chairman the Director of Business Development confirmed that the RAG ratings had not changed between the Spring and Summer terms. Members were informed that the overall RAG ratings relate to administration and compliance, quality assurance and improvement and curriculum performance/improvements. Improvements in any category will not affect the RAG ratings immediately. To ensure consistency changes need to be monitored over a period of time. RAG rating changes may be seen in 2015/16.

9.1.3. The Director of Business Development finally provided a summary of the 2015/16 partners.

9.1.4. Following a request from the Chairman the Director of Business Development agreed to include the industry sector of each of the partners in future reports. Following questions the Director of Business Development informed Members that the College will only work with companies providing good quality apprenticeships and the College has very high standards. The Director of Business Development stated that none of our partners are interested in working with other providers. In all cases we are the College that people want to work with.

Agreed:

9.1.5. THAT the Board note the report.

9.2. Employer Satisfaction Survey 2014/15

9.2.1. The Director of Business Development presented the report. Members were informed that although the SFA conducts an external Employer Satisfaction Survey annually, the College has never received a published score because the employer response numbers have been extremely low. This year the Business Development

Team have encouraged employers to respond to the survey. Members were informed that 126 employers had responded to the survey, compared with 8 in the previous year.

9.2.2. Members were then provided with details of the survey responses, scores and scores by sector subject area. The actions to be taken in 2015/16 were then outlined.

9.2.3. Following questions the Director of Business Development informed Members that some of the least positive scores in Engineering may have reflected a change in the assessor rather than the service provided by the College. The sample was small but it will be an area closely monitored in future. Some employers skip parts of the survey. If the time period for the survey had been longer the College would have received even better responses.

Agreed:

9.2.4. THAT the Board note the report and the planned actions for improvement.

10. Board Matters

10.1. Appointment of Vice Chair

10.1.1 The Clerk informed Members that the term of office of the Vice-Chair terminates this month. Mr Marshall confirmed that he would be prepared to stand again. There were no further expressions of interest. The Clerk therefore recommended that the Board re-appoint Mr Marshall for a further term of two years.

Agreed:

10.1.2. THAT the Board re-appointed Mr Marshall for a further two year term of office.

10.2. Annual Review of Governance Documents

10.2.1. The Clerk informed Members that he had reviewed the following documents:

- The Instrument and Articles of Government
- The Standing Orders
- The Members Code of Conduct
- The Terms of Reference for the Audit Committee, Search Committee and the Remuneration Committee

10.2.2. The Clerk informed Members that all references to the title Governor had been replaced with the title Member and the Vision and Mission statements had been up dated since the last review. No further changes are necessary to any of the documents at this time.

10.2.3. The Clerk reminded Members that they had individually considered the new Code of Governance in the Personal Review procedure and had provided valuable

feedback. Members had acknowledged that we currently comply with the majority of the Code although there are some areas of uncertainty and areas where we do not comply, such as Student representation.

10.2.4. The Clerk informed Members that a lot of emphasis had been placed on the significance of the spirit of the Code as much as the letter of the Code. The Clerk therefore recommended that the Board agrees to adopt the spirit of the Code and work toward compliance in all agreed areas over a period of time. Compliance with the Code will then be reviewed annually alongside the other Governance documents.

Agreed:

10.2.5. THAT the Board adopt the Code of Governance and work toward compliance in all agreed areas.

10.3. Training and Effectiveness

10.3.1. The Clerk informed Members that the next webinar, entitled The New Common Inspection Framework – what it means for Governance, is scheduled to take place at 5.30 on Tuesday 13th October. All Members were invited to attend the College for the webinar. Members were advised that they could also access the webinar from home either on the night or after it had been archived.

10.3.2. Finally the Clerk asked that Members provide him or the Director of Business Development with their contribution to the Student of the Year award as soon as possible.

11. Next meeting Agenda

11.1. Items for the next meeting include:

- Declarations of Interest
- Minutes of the previous meeting
- Approved Minutes of the Audit Committee held on 6 July 2015 and draft minutes of the Audit Committee held on 9 November 2015
- Chairs verbal report
- Principal's report
- Finance report and Management Accounts.
- Annual Report and Accounts to 31 July
- Audit Findings Report
- Annual Internal Audit report
- Audit Committee letter to the Principal and Board
- Outcomes for Learners Report (2014 -2015)
- SAR and Quality Improvement Plan
- Equality and Diversity Report (2014 – 2015)

12. Any other business

12.1. The Chairman complimented the Clerk on the comprehensive summary of 2014/15 Board Activity that he had produced and circulated prior to the meeting. The summary had been very useful.

12.2. The Vice-Chair informed Members that he had visited the Construction Facility and had been very impressed. Members were informed that the Construction Facility has been very successful, it is well used and has been a very good investment for the College.

13. *Date of next meeting*

13.1. The date of the next meeting is Tuesday 15th December 2015 at 5.30pm.

13.2. The meeting closed at 8.05pm

Presentation by the Chairman of the Board

6th October 2015

The Chairman provided Members with the background to Area Reviews which included the following:

The Governments view -

‘We have a productivity challenge in England and addressing it is a National priority’

‘We need strong education and training Institutions which have high status and are genuine centres of excellence’

Quotes from Nick Boles, Minister of State for Skills

The FE Commissioners view –

There is going to be a tough spending review in November.

An increasing number of colleges are in financial difficulty.

There are considerable variations of costs amongst colleges.

There is a desire to make better use of public funds.

There is a move towards 'fewer, larger, more resilient and efficient colleges', but small can be beautiful!

Funding will only be available for good quality institutions that are financially sustainable.

The Chairman then provided details about the Area Review Steering Groups:

Area Reviews would be driven by local steering group

The membership of the Steering Group has been clearly defined. The Chair and Principal of colleges are members.

The Steering Group will meet over a 4 month period.

All Area Reviews are to be completed by March 2017 with the implementation of recommendations by 2020.

The Chairman then described the 5 stage Area Review meeting process. The meetings would look at the following aspects of each college:

1. Background
2. Curriculum issues
3. Estate services
4. Finance and structures
5. The way forward

Members were informed that it was an agreed principle that 'It will be for the governing bodies of each individual institution to decide whether to accept the review's recommendations'

The Chairman informed Members that potential outcomes could include:

Mergers/Federations/Alternative structures

Shared back office functions

Greater degrees of specialisation

Common marketing

New Institutes of Technology

Local outcome agreements

Finally the Chairman looked at the known implications for Derwentside College:

Our Area Review date will not be before May16.

The College needs to clearly show that it is delivering quality education.

The College needs to prove that is viable and sustainable for at least the next 3 years.

The Board will need to consider the Area Review process and outcome and justify our acceptance or rejection of the Area Review outcomes.