



## **Minutes of a Meeting of the Board of the Corporation**

held in the Conference Room of the College on 8<sup>th</sup> October 2013 at 5.30pm.

### ***Present:***

Mr T Edwards (Chairman)  
Mr A Croney, Mr G Marshall, Mr J Lyle, Mrs G Granath, Mr D Temperley, Mr D Waugh, Mr K Temperley.

### ***Apologies:***

Mr G Gibson, Mrs S Nicholson, Mr J Davies.

### ***In attendance:***

Mrs S Oman Director of Finance and Resources,  
Mrs K Redhead Director of 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 and in particular welcomed back the Principal following his illness.

## ***2. Declarations of Interest***

2.1. There were no declarations of interest relating to any of the agenda items.

## ***3. Minutes of a meeting of the Board of the Corporation held on Tuesday 23<sup>rd</sup> July 2013***

### ***Matters arising:***

3.1. In relation to item 3.2 (Langley Park) the Director of Finance and Resources informed Members that on completion of the sale there would be a payback totalling £30k. Following a question from the Chairman the Director of Finance and Resources informed Members that the solicitors are still dealing with the sale and at the present time there is no definite completion date.

3.2. In relation to item 12.1 (Stanley Academy) the Chairman asked if anyone could provide an update. The Director of Business Development confirmed that the Academy had opened in September but no one had any knowledge of an official opening ceremony. The Principal advised Members that a consultation exercise has commenced regarding the possible closure of Pelton Roseberry School.

**Agreed:**

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

**4. Chairman's verbal report**

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

- Association of Colleges (AoC) consultation.
- The Awards Event.
- Members Personal Review update.

4.1.1. Association of Colleges (AoC) consultation.

4.1.2. Members were informed that the AoC had requested feedback on a draft report regarding Governance Development. A task group made up of several Members met at the end of August and spent some considerable time studying the report and providing comments. The comments were sent to the AoC but there has been no response from the AoC to date. The Chairman will provide a further update to the Board when a response is received.

4.2. The Awards Event.

4.2.1. The Chairman informed Members that for the first time the Awards Event is to take place at the College instead of the Empire Theatre. The Event will take place on the 21<sup>st</sup> November 2013. 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.

4.2.2. Following a question regarding the Staff Award the Director of Curriculum and Quality and the Director of Business Development confirmed that this award did not take place last year and due to the high number of staff changes throughout this year, the Staff Award was not included in the November event. The Chairman asked that consideration is given to including the Staff Award in the 2014 awards event.

4.3. Members Personal Review update.

4.3.1. The Chairman informed Members that following the review meetings the Clerk had produced a summary report. However, because he (the Chairman) had just returned from holiday, there had not been enough time to prepare a final report for this meeting. The Chairman thanked everyone for taking part in the review process and informed Members that the final report which will include proposed actions will be presented to the next meeting of the Board.

**Agreed:**

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

**5. Principal's report**

5.1. The Principal presented his report which included the following:

- College and Partnership recruitment performance to 30 September 2013
- College and Partnership allocations and carry over performance 2013/14
- Partnership Report

## **5.2 College and Partnership recruitment to 30 September 2013**

5.2.1. The Principal informed Members that the figures in Table 1 of the report would probably represent the end of year position unless there were any adjustments required following the Skills Funding Agency (SFA) compliance audit. One third of the FE sector was being subjected to an SFA compliance audit. An update on the audit will be reported to the next meeting of the Board.

5.2.2. Following questions the Principal confirmed that

- the reduction in the performance of Talent Training was due to the delay in students starting courses and this funding will now be carried over into 2013/2014;
- the asterisks signified rundown contracts;
- the College had specifically designed programmes and qualifications for Talent Training and Maersk Training.

### ***Agreed:***

**5.2.3. THAT the Board note the 2012/13 Recruitment report.**

## **5.3. College and Partnership allocations and carry over performance 2013/14**

5.3.1. The Principal then went onto explain the allocations and carry over performance. Members were informed that the Principal had visited the SFA and requested that the College allocation be increased by £3.5m. The Principal then explained the growth case and informed Members that although he had not received official agreement from the SFA, he had received a positive email.

5.3.2. Following a question the Principal confirmed that a lot of the Talent Training courses will finish in January so most of the funding will come in this year.

### ***Agreed:***

**5.3.3. THAT the Board note the current situation**

## **5.4. Partnership Report – Confidential item**

5.4.1. The Principal presented the report and outlined each aspect of the report. Following a question from the Chairman the Principal confirmed that both Skills North East and Learning 4 Ever are commercial companies.

5.4.2. The Chairman thanked the Principal for a very comprehensive report and requested that a similar report be presented to the Board every six months.

**Agreed:**

**5.4.3. THAT the Board note the current situation.**

## **6. Finance and Resources Reports**

### **6.1. Finance Report.**

6.1.1. The Director of Finance and Resources presented the Finance Report and outlined each of the four schedules contained within the report. Members were advised that the income for 2012/13 would be in the region of £13.2m, with a surplus of £2.2m. Both figures were however still subject to year- end external audit which will take place week commencing 14<sup>th</sup> October. Members were informed that the surplus increase was due in the main to two significant credits and an offsetting of FRS17 pension charge.

6.1.2. The Director of Finance and Resources then explained a number of variances between budgeted and actual amounts contained within schedule two of the report. These included:

- Partnership Payments:
- Overspends including increased recruitment fees, staff settlements, exam fees, increased travel and legal fees:
- Budget Savings including learner support costs, health promotions, utility savings, staff development and IT license fees:
- Active8 and Age Grant.

6.1.3. The Director of Finance and Resources then summarised schedule three, the Balance Sheet and schedule four, the Cash Flow Forecast. Members were advised that the Balance Sheet no longer showed the inter-company balances. Following a question from the Chairman it was confirmed that Cash days in hand is an annual KPI. The Chairman requested that the current status of Cash days in hand is reported to the next meeting of the Board.

**Agreed:**

**6.1.4. THAT the Board receive the report.**

## **7. Director of Curriculum and Quality Reports**

### **7.1 Complaints Report**

7.1.1 The Director of Curriculum and Quality presented the report which identified the number and type of complaints received, how they were handled and the number of complaints upheld. The Director of Curriculum and Quality recommended that due to the very small number of complaints, this report was no longer relevant and instead the information should in future be included as an item in the Learner Survey Report. Following a question from the Chairman the Director of Curriculum and Quality confirmed that there would be no implications from Ofsted if complaints were no longer presented in separate report.

7.1.2. The Director of Curriculum and Quality then highlighted several aspects of the report. The Chairman commented that the number of complaints had reduced consistently over the last four years and on behalf of the Board thanked the Director of Curriculum and Quality and her staff.

***Agreed:***

**7.1.3. THAT the Board accept the report and agree the recommendation that in future Complaints are included as an item in the Learner Survey Report.**

**7.2 Observation of Teaching, Learning and Assessment 2012-13**

7.2.1. The Director of Curriculum and Quality explained the background to the report and outlined the procedure and the grades awarded. Members were informed that the process used at the College mirrors the Ofsted system. The grade profile table was then explained and the College and Partner percentages were highlighted. The Director of Curriculum and Quality informed Members that continuous improvements had been made.

7.2.2. Following questions the Director of Curriculum and Quality gave further detail of the observation and monitoring processes, the assessment team and the increase in the number of observations. Following a request the Director of Curriculum and Quality agreed to show the key finding figures, including a year by year comparison, in a graphic format in future reports.

***Agreed:***

**7.2.3. THAT the Board receive the report and note the continuous improvement.**

**7.3 Learner Survey 2012-13**

7.3.1. The Director of Curriculum and Quality explained the background to the report and outlined the activities carried out in 2012-13. The key findings were then highlighted and Members were given an update of the actions taken as a result of the 2011-12 survey and the actions to be taken as a result of the 2012-13 survey. Members were informed that overall the survey was very positive

7.3.2. Following questions the Director of Curriculum and Quality confirmed that functional skills were the key skills of literacy and numeracy and exit surveys are now carried out by focus groups as learners got sick of completing questionnaires.

7.3.3. The Director of Curriculum and Quality reminded Members of the New College advertising campaign last year which resulted in meal deals being introduced at the College. This year however, in line with other college's meal vouchers will only be issued to learners on hardship grounds. Members were advised that this could have an adverse effect on learner satisfaction.

***Agreed:***

**7.3.4. THAT the Board receive the report and note the proposed actions.**

## **8. Board Matters**

### **8.1 Appointment of Vice Chair**

8.1.1. The Clerk reminded Members that at the last meeting of the Board, Members interested in the position of Vice Chair were asked to contact the Clerk. Mr Marshall confirmed that he would be prepared to stand again. The Clerk informed Members that no further expressions of interest had been received and recommended that the Board re-appoint Mr Marshall for a further term of two years.

#### ***Agreed:***

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

### **8.2 Annual Review of Governance Documents**

8.2.1. 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

With the exception of the Audit Committee Terms of Reference, none of the documents required updating at this time.

8.2.2. Members were informed that the AoC had published an Audit and Accountability Annex to the Foundation Code of Governance. The Foundation Code of Governance had been adopted by the Board in May 2012. The Audit and Accountability Annex contained a section which outlines several minimum requirements that the Terms of Reference of the Audit Committee should contain. In order to bring the existing Audit Committee Terms of Reference in line with the Annex requirements a number proposed amendments have been made.

8.2.3. Following a question from the Chairman the Clerk confirmed that the Audit Committee had not had the opportunity to consider the proposed amendments.

#### ***Agreed:***

**8.2.4. THAT the Board adopt the revised Audit Committee Terms of Reference subject to Audit Committee consideration and approval.**

### **8.3 Training and Effectiveness**

8.3.1. The Clerk informed Members that there was only one regional event taking place during the autumn. The event, an FE Governance Review, is to be held at New College on the 27<sup>th</sup> November. Only Principals and Chairs were invited.

8.3.2. The Chairman informed the Clerk that he would be unable to attend and asked the Vice Chair to attend in his place.

## **9. Next meeting Agenda**

9.1. Items for the next meeting include:

- Declarations of Interest
- Minutes of the previous meeting
- Approved Minutes of the Audit Committee held on 23 July 2013 and draft minutes of the Audit Committee held on 11 November 2013
- Chairs verbal report
- Principal's report
- Finance report.
- Annual Report and Accounts to 31 July
- Audit Findings Report
- Annual Internal Audit report
- Audit Committee letter to the Principal and Board
- SAR and Quality Improvement Plan
- College Performance report

## **10. Any other business**

10.1. The Vice Chair informed Members that a special meeting of the Audit Committee had taken place prior to the Board meeting. The Audit Committee had met to consider the Internal Audit provision and the implications following the merger of RSM Tenon and Baker Tilly.

10.2. Members were informed that in July the Director of Finance and Resources had compared the Internal Audit service provided for the College, with benchmarking data on the Skills Funding Agency website and initially it had appeared that the College were paying higher fees for the service. The Director of Finance and Resources had subsequently carried out further enquiries and this was found not to be the case.

10.3. Members were then informed that following the merger of RSM Tenon and Baker Tilly a full Internal Audit service would no longer be provided in future. Internal audits will only be formally signed off and no formal written opinion will be given. Members were informed that both the Internal and External Audit Services are to be re-tendered next year. Following consideration of this information the Audit Committee has agreed not to rush into re-tendering early, to accept the internal audit service that can be provided and look at the services of other internal audit providers prior to re-tendering next year.

10.4. The Clerk reminded Members that the Awards Event is to take place on the 21<sup>st</sup> November and as there are no Board meetings between now and the event Members were asked to send their donations to the Principals secretary as soon as possible.

**11. *Date of next meeting***

11.1. The date of the next meeting is Tuesday 17<sup>th</sup> December 2013 at 5.30pm.

11.2. The meeting closed at 6.50pm.