



Board of the Corporation

Minutes of a meeting of the Board of the Corporation

held in the Albert Croney Suite on
Tuesday 15th December 2015 at
5.30pm.

Present:

Mr T Edwards (Chairman)
Mrs K Redhead, Mr G Marshall, Mr G Gibson , Mr J Davies, Mr D Temperley, Mrs G Granath. Mrs S Nicholson, Mrs C Richards, Mr M Short.

Apologies: Ms Form

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 P Brennan Personnel Manager and Mr M Sowerby, (Clerk to the Corporation).

1. Introduction

1.1. The Chairman welcomed everyone present and thanked Members for attending despite the horrible weather.

1.2. The Chairman informed Members that Reece Taylor, Outstanding Student of the Year, was unfortunately unable to attend the 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 6th October 2015.

Matters arising:

3.1. Item 4.1. The Student Forum. Following a question from the Chairman, the Vice-Principal Curriculum and Quality informed Members that a meeting with students had taken place. The students had discussed a range of topics including, creating a committee to organise charity events, inviting guest speakers to talk the students and producing a newsletter. It had been a very productive first meeting. The Chairman informed Members that a student had expressed an interest in becoming a Student Member of the Board. The Chairman and the Clerk had met with the student and discussed the role with him. He had seemed very interested in

the position and had been invited to this meeting as an observer, prior to being considered for membership of the Board. Unfortunately he has not arrived.

3.2. Item 5.2. The AoC Governors Council. The Chairman informed Members that he had been advised that a further nomination had been received from a representative from Darlington College and therefore he had withdrawn from the process.

3.3. Item 6.4.4. Payroll costs. Following a question from a Member the Director of Finance and Resources advised Members that although the FE Commissioner has referred to payroll costs being 60% of turnover as the norm, there is no recognised national figure. There are a number of factors involved, for example subcontracting of services. If subcontracting costs are included our payroll percentage is lower than 60% of turnover. If however subcontracting is excluded our payroll cost are slightly higher.

3.4. Item 6.6.1. The Strategic Plan. Following a question the Principal confirmed that the Strategic Plan has been published as well as being publicised on the intranet.

3.5. Item 10.3.1. The New Common Inspection Framework webinar. Following a question from the Chairman the Principal confirmed that she and the Clerk had attended the webinar on the 13th October 2015.

Agreed:

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

4. *Draft Minutes of the meeting of the Audit Committee held on Monday 9th November 2015.*

4.1. The Chairman of the Audit Committee confirmed that the minutes were an accurate record of the meeting and many of the reports were on tonight's agenda.

Agreed:

4.2. **THAT the Board note the draft minutes.**

5. *Chairman's verbal report*

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

- The Search Committee
- NECA meeting
- Self-Assessment Report (SAR) Moderation meeting
- AoC Conference
- The Awards Event.

5.2. The Search Committee

5.2.1. The Chairmen informed Members that a meeting of the Search Committee took place on the 26 October to consider current and future vacancies and recruitment proposals.

5.2.2. The Chairman informed Members that this would be the last meeting at which Mr Temperley will be attending. Mr Temperley's term of office expires next month and he has indicated that he will be unable to stand again for personal reasons. The Chairman thanked Mr Temperley on behalf of the Board for all the hard work and enthusiasm he has given over the last four years and wished him well in his future endeavours.

5.2.3. The Chairman informed Members that the current term of office of Mr Gibson and Mrs Granath expires in March and Mr Davies term expires in July.

5.2.4. The Search Committee considered a strategy for recruiting prospective Members and it was agreed that we will approach relevant trade bodies and associations with an outline specification of the role. Members were asked if they were aware of any prospective candidates to pass the relevant details onto the Clerk.

5.3. North East Combined Authority (NECA) meeting

5.3.1. The Chairman informed Members that he and the Director of Business Development had attended a meeting on the 9 November to look at proposals from Durham County Council to support a government initiative for the development of a NECA. The Chairman informed Members that in his opinion the meeting was not very constructive and he, in a personal capacity, has written to the organisers to express his opinions on the matter.

5.4. The Self-Assessment Report (SAR) Moderation meeting

5.4.1. The Chairman reported that he, the Clerk and some Board Members had attended the Moderation meeting on the 12 November. It had been a good meeting with many of the issues affecting the future strategic role of the College being discussed.

5.4.2. The Chairman had expressed concern about the number of Members who were able to attend the meeting. It has been agreed that future SAR meetings will be held at 5.30pm in November, as a single item agenda Board meeting, when Members with work commitments will be able to attend.

5.5. The AoC Conference

5.5.1. The Chairman and Principal attended the AoC Annual Conference on the 18 November. The day had been pre-occupied with Local Area Reviews and their potential impact on colleges. There was a lot of negativity about the issue and a lot of confusion about the process in particular differences of opinion between the FE Commissioners views on the process and those who were part of the current reviews.

The Chairman reported that he had the opportunity to see some of the exhibitors and in particular the Colleges database provider. The buffet had been excellent and he had posed for a caricature drawing which he then showed to Members.

5.6. The Awards Event

5.6.1. The Chairman thanked the Director of Business Development and her team for what had been probably the best event we have held. The Chairman had received very enthusiastic comments about the event from parents, providers and students.

5.6.2. The Chairman commented that the special guest, Mr Bob Paton, had delivered an impressive speech which would have had a positive impact on all those present.

5.7. Finally the Chairman informed Members that he also had a number of meetings with the Principal to discuss issues that may come up in future meetings.

Agreed:

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

6. *Principal's report*

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

- The 2015/2016 Performance against funding targets
- Spending Review
- Area Reviews
- Student Achievement Awards and Annual Report

6.2. The 2015/2016 Performance against funding targets – Confidential Item

6.3. The Spending Review

6.3.1. The Principal informed Members that following significant national lobbying and with the support of high profile individuals the Spending Review appears to be less severe than anticipated. Although there has been much relief across the sector there are a number of unanswered questions. The Principal then highlighted aspects of the Spending Review which are directly relevant to the College.

- National base rates on EFA 16-18 provision are protected for the whole of the parliament but savings will be found from outside of the national base rates which may still affect the College.

- Adult Skills funding is protected in cash terms during this parliament but the government is to make £360m of efficiencies and savings from the Adult Skills budgets by 2019/20
- FE loans are to be extended to include 19-23 year olds
- Apprenticeship Levy. Following a question from the Chairman the Principal confirmed that the levy will affect some of the Colleges providers and employers.

6.3.2. The Principal advised Members that good progress has been made in identifying expenditure savings. Despite a better Spending Review outcome, cost saving measures will continue in order to help support the College through the financial situation following the repayment of the loans. The situation will be reviewed when confirmation of the 2016/17 funding allocations have been received and further details of the government plans to achieve its austerity targets are known.

6.4. Area Reviews

6.4.1. The Principal advised Members of the latest situation relating to the Area Review process. Waves 2 – 5 have now been identified. Derwentside College falls within wave 3 which commences in April 2016. The Board will be kept up dated of any changes to the date.

6.4.2. Following a question the Principal confirmed that each Area Review takes about four months, there are five review meetings and two days of college visits. The review recommendations are then considered by the Board of each college. The Boards then have four months to respond.

6.4.3. The Chairman highlighted a number issues which had been identified so far with the review process. The Principal confirmed that reviews of large areas with a large number of colleges for example Manchester, have been very unwieldy. The FE Commissioner has had to recruit more advisors. Some of these recruits have been former college principals but they had operated in a different era. The FE Commissioner teams are learning from each review. The Principal emphasised that we have got to be prepared and provide the advisors with clear sensible information.

6.5. Student Achievement Awards and Annual Report

6.5.1. The Principal commented about the success of the evening and thanked Members for their support. The Annual Report is almost complete. The report aims to publicise the success of the College and our learners. Hard copies of the report will be printed and published after the Christmas break and should be available in January. The Annual Report is also to go on to the College website and Members will be provided with the link to access the report.

Agreed:

6.6. THAT the Board note the contents of the Principals report.

7. Finance and Resources Reports

7.1. Finance Report up to the end of October 2015 (period 3). – Confidential Item

7.2. Annual Report and Financial Statements 2014/15.

7.2.1. The Director of Finance and Resources informed Members that this report and the following three reports were all considered and approved by the Audit Committee at the meeting held on the 9th November 2015.

7.2.2. The Director of Finance and Resources highlighted several aspects of the strategic summary including how well the College has performed, Going Concern, the auditors Emphasis of Matter statement and the College's financial position. The Director of Finance and Resources then outlined challenges facing the College

7.2.3. The Director of Finance and Resources then presented a summary of the key points of the following reports:

- The Audit Findings Report. Members were informed that this had been a very smooth audit with no significant control deficiencies or issues relating to the use of funds.
- The Additional Controls Assurance Report. The Director of Finance and Resources outlined the audits carried out and the outcomes. Members were informed that little progress had been made in implementing the Business Continuity recommendations but a new Business Continuity Plan is to be developed and presented to the Board in March.

7.2.4. The Clerk presented the Annual Report of the Audit Committee to the Board and Principal. The report outlined the work of the Audit Committee throughout the year and had been approved at the meeting of the committee held on the 9th November 2015

Agreed:

7.2.5. THAT the Board:

- 1. Approve the audited Financial Statements.**
- 2. Note the contents of the Audit Findings Report, Internal Audit Annual Report and the Annual Report of the Audit Committee to the Board and Principal**

7.3. Following comments from Members about the amount of information being provided a discussion took place. The Chairman pointed out that it was essential that Members were fully aware of the College's financial situation but the information could perhaps be refined to provide Members with a broader view. The discussion then centred on how better understanding by Members could be best achieved. A number of suggestions were made and it was agreed that financial awareness training could form part of the Member Training Programme (see item 10.1.2.) and if

Members had any specific requirements they should speak to the Director of Finance and Resources.

8. Personnel Manager Report

8.1. Equality and Diversity report (2014-15)

8.1.1. The Personnel Manager presented the report and provided Members with the background to the report. Details of the eight protected characteristics as defined by the Equality Act 2010 were highlighted and the data collected relating to the Staff Profile (contained within appendix A of the report) was outlined.

8.1.2. The Personnel Manager then highlighted a number of sections of the report including the College's policies and procedures, training and the promotion of Equality and Diversity (E and D), governance and monitoring, Teaching Learning and Assessment (TLA) and continuous quality improvement.

8.1.3. Members were advised that there had been seven reported incidents of bullying during 2014/15, all of which had been dealt with effectively in-line with College procedures and to the satisfaction of the learners involved. In the Learner Survey 98% of learners stated that they felt respected and safe at the College.

8.1.4. The Personnel Manager highlighted various aspects of the staff profile, learner participation rates and finally the equality objectives. Members were informed that the Equality Objectives had been agreed in 2012 and under the requirements of the 2010 Equality Act the College is required to agree and publish at least one Equality Objective every four years. A report outlining revised Equality Objectives will be presented to the Board next year.

8.1.5. Following questions the Personnel Manager confirmed the membership breakdown of the Equality and Diversity Committee. The Principal explained that although any age divider could have been used in the staff profile, the age of 46 had been used because the staff age profile starts at 16years and then goes up in ten year measures. The Principal advised Members that the College works with specialist groups to promote awareness of staff vacancies within minority groups.

8.1.6. The Chairman thanked the Personnel Manager for a very comprehensive and interesting report.

Agreed:

8.1.7. THAT the Board note the report.

9. Curriculum and Quality Reports

9.1. Outcomes for Learners report (actual 2014-15)

9.1.1. The Vice-Principal Curriculum and Quality provided Members with the background to the report and explained the differences between Timely and Overall

success measures. The Vice-Principal Curriculum and Quality then highlighted the improvements and declines in Classroom Learning provision success rates. The Principal advised Members that following the introduction of new rules relating to maths and English diplomas, there has been a national drop in success rates in this category.

9.1.2. The Vice-Principal Curriculum and Quality then highlighted the outcomes for 2014/15 Apprentice provision. Members were informed that the College is very good at progressing learners into apprenticeships, this is a key strength of the College. The apprenticeship success rate is 3% above the national average. We are working toward an increase in advanced apprenticeships but this is a real challenge.

9.1.3. Following comments about the legacy of Future Strategies the Principal reminded Members of the problems faced by the College following the demise of Future Strategies. The Principal confirmed that although the outcome has had an ongoing impact on success rates the way the College dealt with the situation would be recognised by Ofsted as a significant achievement.

9.1.4. Following a question from the Chairman, the Vice-Principal Curriculum and Quality informed Members that learners leaving to go into work are not included in this report but would be reflected in the Destinations Report.

Agreed:

9.1.5. THAT the Board note the report.

9.2. Self-Assessment Report (SAR)

9.2.1. The Vice-Principal Curriculum and Quality distributed copies of the 2014/15 SAR and provided Members with the background to the report. Members were informed that the key audience for the SAR was all of the College stakeholders and Ofsted but the report will also be very important in the Area Review process.

9.2.2. The Vice-Principal Curriculum and Quality then outlined the Common Inspection Framework (CIF) criteria for judging the effectiveness of each aspect of provision and the Boards involvement in the SAR validation process. The Vice-Principal Curriculum and Quality then summarised the College's areas of strength, areas for improvement and the Quality Improvement Plan (QIP).

9.2.3. The Chairman requested that the partner provision curriculum areas are identified in future reports and consideration is given to moving the College Profile to the appendices.

Agreed:

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

10. Board Matters

10.1. Board Member Personal Review

10.1.1. The Clerk presented a summary of the outcomes from the Members Personal Review meetings. The findings from each section of the review included:

- Board processes and relationships - graded excellent or good by many Members but the comments suggested there was still room for improvement:
- Responsibilities of the Board as defined by the new Code of Governance – Members agreed that the Board broadly complies with the Code. Action is to be taken to improve compliance in certain areas:
- The Boards primary functions – all Members agreed that the primary functions, Monitor, Challenge, Review and Support are still relevant. Board consideration should be given to the addition of Leadership:
- Other areas covered included, Members comments about areas of greatest and least satisfaction and how the Board can improve its performance:

10.1.2. The Chairman then provided a summary of the actions to be undertaken in response to the outcomes. These included the following:

- Publish an Annual report:
- Embark on a push to get student representation:
- Discuss the use of the College as a community resource with Principal and SMT:
- With the support of the Principal and SMT, organise visits to curriculum areas and Apprenticeship providers:
- Organise a series of presentations by staff on their role within the College. These will take place prior to the Board lunches:
- Organise 'outline' presentations as CPD for Members:
- Endeavour to keep Members up to date to ensure that they are fully aware of the issues facing the FE sector and the College:
- With the support of the Principal and SMT develop a Member training plan:
- The Board needs to maintain its role in the development of the Strategic Direction of the College and to ensure that strategic responsibility is kept separate from management issues:

Members were informed that a full copy of the Personal Review Report is retained by the Clerk and is available if any Member wished to see it.

10.2. Training and Effectiveness

10.2.1. The Clerk informed Members that the Ofsted Common Inspection Framework webinar held on the 13 October and the Spending Review implications for FE webinar held on the 26 November, are now both available from the AoC archive

10.2.2. The Clerk informed Members that since the last meeting he and Mr Marshall and Mr Gibson had attended an AoC regional event. The event took place on the 2 November and looked at Intervention and Change in FE Colleges. The Clerk then

briefly described the content of the different sections of the event and advised Members that all of the material from the meeting is available and can be forwarded to any interested Members.

10.2.3. The Clerk informed Members that he was not aware of any training or awareness events between now and the next meeting of the Board.

10.2.4. The Clerk informed Members that Prevent online training for Members is to be organised and commence early in the New Year. This will be followed with an awareness session held at the College.

11. *Next meeting Agenda*

11.1. Items for the next meeting include:

- Minutes of the previous meeting
- Chairs verbal report
- Principal's report
- Finance report and Management Accounts.
- Risk Register
- Destinations report
- Teaching, Learning and Assessment report (Autumn Term)
- Outcomes for Learners report (Autumn Term)
- Partnership report (Autumn Term)
- Board Member Performance Report
- Members Register of Interests

12. *Any other business*

12.1 There were no items of other business

13. *Date of next meeting*

13.1. The date of the next meeting is Tuesday 9th February 2016 at 5.30pm.

The meeting closed at 8.15pm.

The Chair wished everyone present a merry Christmas and a very happy New Year.