

**Minutes of the Meeting of the Corporation
held on Thursday December 17th 2015 at 8.00am
at Matthew Boulton Campus**

Present:	Apologies:
Steve Hollis (Chair)	
Jenni Ord (JO)	
Veronica Docherty (VD)	
Andrew Cleaves (Principal)	
Kathryn James (KJ)	
Anthony McCourt (AMC)	
Andrew Madden (AM)	
Taher Hussain (Support Staff Governor) (TH)	
Dagen Thompson (Academic Staff Governor) (DT)	
Philip Cornish (PC)	
In Attendance:	
Louise Jones - (LJ)	
Julie Nugent - (JN)	
Adrian Morris –(AMO)	
Helen Ainsbury (HA)	
Liam Nevin – (LN)	

Declarations of Interest

It was declared and acknowledged that all staff present had an interest in item 3 (vii) (Pay Award 2015-16.)

AC and LN further declared an interest in item 10(i) (Senior Post Holder Performance Reviews) and advised that they would leave the room for this matter.

Item 1 – Open and Confidential Minutes of Meeting held on 22 October 2015

The minutes were approved as a true and accurate record of the meeting.

Matters Arising and Action Log

The action log follow up activities were noted.

Item 2 – Decisions Taken by Written Resolution or Under Chair's Delegated Powers

The decisions taken by written resolution since the previous meeting were noted

Item 2 (ii) – Minutes of Recovery Working Group 9 October 2015

The minutes were noted.

Item 3 – Report from the Chair of the Finance Committee

JO summarised the business of the Finance Committee conducted at its meeting of the 4 December 2015 and particularly drew the attention of the Board to those matters requiring its approval or which were being reported to the Board as part of its framework of assurance:

(i) Draft Minutes of the Finance Committee 4 December 2015

These were noted

(ii) Recovery Action Plan Update

This item is recorded in a confidential minute

(iii) Proposed Bank Covenants

This item is recorded in a confidential minute

(iv) Financial Statements for year- end 31.7.15

JO reported that the financial statements recorded an operating deficit of £16.203k and that a write off of assets of £1,208k was proposed. In addition it was noted that bad debt provision had been increased by £173k and the committee had been assured about the steps being taken to reduce this.

LJ advised that the draft accounts had been amended slightly since the publication of the paper to reflect the repayment of VAT following disposal of assets.

KJ noted that whilst the write off was identified in the management letter it had not been specifically drawn to the attention of the Audit Committee. It was agreed that this omission would be drawn to the attention of the financial statement auditors.

Accordingly it was

RESOLVED:

- **That the Corporation approve the financial statements for 2014/15 as amended to reflect the repayment of VAT recorded since the publication of the Corporation papers.**
- **That the Corporation approve the loss on disposal of fixed assets of £1,208k**
- **That the Corporation note the increase in the bad debt provision of £173k**

(v) Management Accounts

This item is recorded in a confidential minute

(vi) Partnership Update

This item is recorded in a confidential minute

(vii) Pay Award 2015-16

This item is recorded in a confidential minute

(viii) Disposal of Riverside

This item is recorded in a confidential minute

(ix) Financial Health Score

LJ introduced this item which confirmed that the College's financial health score was inadequate and would remain so for the duration of the BIS loan.

Accordingly it was

RESOLVED:

- **That the Corporation note the SFA assessment of the College's financial health**

(x) Area Review Options

It was agreed that JN would lead a presentation and discussion at the conclusion of the formal business.

Other Business

SH noted that the Corporation needed to appoint a substantive Chair to the Finance Committee. It was agreed that JO be appointed as Chair of the Committee with appropriate support from SH and that consideration be given to the spacing of the termly committee meetings.

Accordingly it was

RESOLVED:

- **That Jenni Ord be appointed as the Chair of the Finance Committee**

Item 4 – Supply Chain Fees and Charges Policy

LJ introduced this item and advised that it was an SFA requirement that the Corporation had such a policy and that it published it on its website.

Accordingly it was

RESOLVED:

- **That the Supply Chain Fees and Charges Policy be approved.**

Item 5 – Performance Report

This item is recorded in a confidential minute

Item 6 – Report from the Chair of the Audit Committee

KJ summarised the business of the Audit Committee conducted at its meeting of the 3 December 2015 and particularly drew the attention of the Board to those matters requiring its approval or which were being reported to the Board as part of its framework of assurance:

(i) Draft Minutes of the Audit Committee 3 December 2015

These were noted

(ii) Internal Audit Annual Report

KJ summarised the report which had concluded with a "Modified Opinion," and thereafter she explained the debate and challenge by the Committee in assessing the conclusions.

Accordingly it was

RESOLVED

- **That the Corporation note the internal audit opinion for the College for 2014/15**

(iii) Audit Committee Annual Report

KJ summarised the annual report of the Audit Committee noting the Committee's opinion on the adequacy and effectiveness of the College's audit arrangements, its framework of governance, risk management and control, and its processes for securing economy, efficiency, and effectiveness. KPMG had identified six performance issues. However, these were not substantial concerns and their opinion was unqualified. KJ noted in particular that data quality and assurance remained of concern and required remedial action, but subject to this caveat the College's arrangements, processes and framework as referred to above were adequate.

Accordingly it was

RESOLVED

- **That the Corporation note the annual report of the Audit Committee for 2014/15**

(iv) Draft Management Letter and Letter of Representation

KJ summarised the draft management letter and advised that KPMG were satisfied that the financial statements gave a true and fair view of the state of the affairs of the College as at 31 July 2015.

Accordingly it was

RESOLVED

- **That the Corporation note the Management Letter and authorise the Chair to sign the letter of representation to KPMG.**

(v) Risk Management Strategy

KJ advised that the Risk Management Strategy was an appropriate framework to effectively manage risk within the College. However, it was now important that it was embedded in the practices of the College and this would be periodically monitored by the Audit Committee.

Accordingly it was

RESOLVED

- **That the Corporation approve the Risk Management Strategy**

Item 7 – Regularity Audit Questionnaire

LJ introduced this item and explained that the self-assessment questionnaire was a requirement of the Joint Audit Code of Practice and must be signed by the Chair and Accounting Officer.

Accordingly it was

RESOLVED

- **That the Corporation approve the self-assessment questionnaire responses and authorise the Chair and Principal to sign the document**

Item 8 – Report from the Chair of the Academic Standards and Quality Development Committee

(i) Draft Minutes of the Academic Standards and Quality Developments Committee 8 December 2015

These were noted.

(ii) Self –Assessment Report

VD summarised the report and explained that the SAR had been revised in line with the Common Inspection Framework and to accommodate observations in the latest feedback letter from Ofsted, and which was included in the background papers for this meeting. The SAR provided an overall view, supported by evidence, of the College's strengths and weaknesses with grading focussed on themes of learning rather than subject specific areas.

Some further work was being done on the structure of the Quality Improvement Plan and this would be completed by the end of term and thereafter circulated to the Corporation for approval by written resolution.

Accordingly it was

RESOLVED

- **That the Corporation approve the Self- Assessment Report for 2014-15**

(iii) Higher Education Quality Review

VD reminded the Corporation that in 2014 the College began to monitor HE performance against FE standards. Accordingly, the report summarised the quality of provision, but also identified an overall decline in student numbers and high attrition rates. A number of courses had been placed into the College's internal special measures programme. It was noted that the strategic review of HE provision was due to report to the March meeting of the committee.

KJ noted that some target dates had passed and AMO advised that these had been achieved but were included in the document for the benefit of the QAA inspection

Accordingly it was

RESOLVED

- **That the Corporation approve the Higher Education Annual Monitoring Review for 2014-15 and the associated action plan.**

(iv) Annual Safeguarding Report

VD summarised the report and advised that arrangements for both safeguarding and combatting radicalisation were robust across College sites.

TH advised that further work was being done to improve awareness raising of radicalisation through tutorial groups.

JO questioned whether it was necessary for governors to undertake annual safeguarding training and LN agreed to discuss this with KV and if necessary make provision in the KIT programme.

The Chair asked what arrangements were in place to prevent the College's IT facilities being misused contrary to the College's safeguarding and anti- radicalisation policies. It was agreed that HA would present a report to a subsequent meeting summarising the arrangements in place.

Accordingly it was

RESOLVED

- **That the Corporation note the report.**

(v) Annual Summary of Complaints

VD summarised the annual report noting the small increase in complaints in 2014/15 compared to the previous year and the increased efforts that the College was making to encourage complaints.

AM queried whether there was any analysis of satisfaction with complaints once they had been dealt with and it was agreed that further consideration would be given to how this information was captured.

The Chair commended the quality of the report.

Accordingly it was

RESOLVED

- **That the Corporation note the report**

Corporation received presentations from Ruth Gilbert of the Careers College and Wendy Stevens, the Head of College for Stourbridge on the potential value of the programme for the College.

Item 9- Report from the Chair of Governance and Search and Remuneration Committee

(i) Draft Minutes of the Governance and Search Committee 11.12.15

These were noted.

(ii) Board Self-Evaluation Feedback

JO summarised the report and discussion within the Committee which had focussed on next steps, pursuant to the evaluation. It was proposed that more development and networking opportunities were offered to governors, that the number of KIT sessions remained unchanged but that the programme seeks to balance internal and external speakers, and that consideration be given to how governors can connect directly with students in addition to learner walks.

Accordingly it was

RESOLVED

- **That the priorities arising from the Board self-evaluation as identified in the preamble to this minute be approved.**

(iii) Review of Standing Orders

JO noted that the recent review undertaken by BDO had identified the need to introduce a set of standing orders governing the business of the Corporation and its committees, and the proposals before the Corporation would address that recommendation.

Accordingly it was

RESOLVED

- **That the Corporation adopt the Standing Orders as appended to the report**

(iv) Appointment of Student and Staff Governors

JO advised that the recent student election process had not generated sufficient participation from students to warrant appointment. Consequently the Committee had reviewed the process and made a number of proposals; In respect of student elections a role profile should be developed (and was now contained in the supporting information before the Corporation) to make clear the requirements of the position and the qualities required of candidates, and Heads of College needed to pro-actively engage students in the process to improve participation in the selection of the new student governors.

The Committee had also concluded that, in light of the Unitary Board principle to which the Corporation subscribed, it would be appropriate to require candidates to demonstrate that they had the personal qualities required to participate effectively and maintain the Nolan principles, before being approved as suitable candidates for election.

It was noted that prospective independent governors were already assessed against suitability criterion and it was appropriate that this should apply to student and staff governors also.

Accordingly it was

RESOLVED

- **That the role profile for student governors be approved**
- **That a two- stage selection process for prospective student and staff governors be approved, on the basis set out in the preamble to this minute**

(v) – Review of Terms of Reference of Governance and Search and Remuneration Committees

JO advised that minor changes were proposed to the terms of reference of both the Governance and Search and Remuneration Committees, as set out in the track-changed drafts now before the Corporation.

Accordingly it was

RESOLVED

- **That the terms of reference of the Governance and Search and Remuneration Committees as amended be approved**

Item 10 – Any Other Business and Governors Confidential Discussion

This item is recorded in a confidential minute.

Date of Next Meeting: Thursday 17 March 2016.

Signed.....


Chairman
Date.....

17th March 2016