

**Minutes of the Meeting of the Corporation
held on Thursday December 15th 2016 at 8.00am
in the Boardroom of Matthew Boulton Campus**

Present:	Apologies:
Steve Hollis (Chair)	Michele Larmour (ML)
Veronica Docherty (VD)	Henry Millin (HM)
Keith Horton (KH)	
Andrew Cleaves (Principal)	
Andrew Madden (AM)	
Jenni Ord (JO)	
Joel Blake (JB)	
Hilary Smyth-Allen (HSA)	
Sheetal Sahdev (SS) (Student Governor)	
Jane Smith (JS) (Staff Governor)	
Sonia Crook-Lake (SCL) (Staff Governor)	
In Attendance:	
Louise Jones (LJ)	
Helen Ainsbury (HA)	
Simon Cosson (SC)	
Liam Nevin – (LN)	
Julie Nugent - (JN) (For item 2)	

Apologies for absence

Apologies were received from Michele Larmour, and Henry Millin

Declarations of Interest

No declarations of interest were received

Item 1 – Actions Arising from the Last Meeting

(i) Open and Confidential Minutes of meeting held on 20 October 2016

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

(ii) Matters Arising and Action Log

The Principal tabled a summary of the businesses that the College was doing business with, and those that it was targeting. He advised that this would be circulated once complete and that discussions would be had with governors who may be able to assist in business development.

SH queried whether the College had identified the largest businesses in this analysis and the Principal advised that the relevant largest local businesses had been identified and the targets were also aligned to the College's priority sectors.

The Principal also reminded the meeting that a task on the Action log was to report back on market intelligence and sales activity. He advised that the approved plan would increase the College's market share of apprentices from 3% to 6.5%, which did not include any growth delivered by the Apprenticeship Organisation.

The Principal further advised that the College was now only approximately 200k short of its recruitment target for the whole academic year for apprenticeships and he was confident that this target would be surpassed.

HAS noted that there was an opportunity with the changing apprenticeship market growth and asked whether there was a sufficient resource allocated to business development. The Principal advised that an additional £400k of resource had been allocated for this financial year, and that this was a prudent investment and consistent with the College's financial position.

In relation to the IOT, the Principal advised that the College was in a dialogue with the Department for Education, and it was likely that it would be invited to formally propose a delivery model in the new-year. It would be appropriate to revisit the potential of sponsorship at this point.

Item 2 – Apprenticeship Company

This item is recorded in a confidential minute

Item 3 – Report from the Chair of Finance Committee

(i) Draft Minutes 9.12.16

JO advised that the draft minutes, whilst for information only at this point, gave a rounded summary of the matters considered by the Finance Committee. Thereafter, she summarised the matters referred to the Corporation:

(ii) Operating Plan Update

The Corporation were advised that there had been a full discussion about the detail within the report and the progress measures, and an agreement that the progress against the success measures in the graph should be emphasised for the purpose of reports to the Committee. It was also felt that a greater presentational emphasis was necessary to identify areas of good progress and those demonstrating under-performance. The Committee had noted and discussed positive trends in apprenticeship income, data quality, and student satisfaction, whilst also reflecting on areas for improvement including low staff observation rates and PMR completions.

It was noted that the granularity of the report was a tool to enable the Executive to focus on driving improvement but that the Committee would benefit from seeing overarching performance measures that would drive strategic objectives and particularly success rates.

Accordingly it was

RESOLVED

- **That progress against the Annual Operating Plan be noted.**

(iii) Financial Statements for Year End 31 July 2016

JO advised that the audit of the accounts had been completed and had only identified a small number of procedural issues and audit recommendations that were being addressed. However, there was a potential for clawback of funding from the SFA relating to historic sub-contract provision that was being considered by KPMG. At present the extent of any liability and the quantum arising from that could not be ascertained and there would be further discussions between SC and KPMG in January to determine how to present this in the accounts prior to the financial statements being recommended to the Corporation. It was anticipated that the financial statements would be re-presented to the Corporation in January once this matter had been addressed.

Accordingly it was

RESOLVED

- **That approval of the financial statements and the letter of representation be deferred.**

(iv) Management Accounts

This item is recorded in a confidential minute

(v) Partnerships Update

This item is recorded in a confidential minute

(vi) Pay Award 2016-17

This item is recorded in a confidential minute

(vii) Disposal of Riverside and Property Update

This item is recorded in a confidential minute

Item 4 – Report from the Chair of the Audit Committee

(i) Draft Minutes 1.12.16

AM advised the Corporation that the draft minutes were presented for information

(ii) Internal Audit Annual Report

AM advised that the report was the final report from PwC as the outgoing auditors and that the paper set out the outcomes of the audits undertaken during the year and the actions taken by management in response to the findings. The Committee were satisfied that management were taking appropriate action to address the outstanding recommendations. The Corporation were advised that no high risk findings had been made during the year but the model used by the auditors meant that medium risk findings resulted in a modified opinion. Nevertheless, good progress with the control environment had been made during the year.

Accordingly it was

RESOLVED

- **That the internal audit annual report for 2015-16 be noted.**

(iii) Audit Committee Annual Report

AM advised the Corporation that the report represented the Committee's self- assessment of the 2015-16 academic year. There had been some difficulties with attendance and membership during the year and the Committee had contended with some difficult issues. The report was commended to the Corporation as an appropriate summary of the business and operation of the committee over the year.

Accordingly it was

RESOLVED

- **That the Audit Committee annual report for 2015-16 be noted.**

(iv) Regularity Audit Questionnaire

(v) Draft Management Letter

AM addressed both of these matters in tandem in light of the previous discussion around the financial statements. In respect of the Management Letter it was noted that all the recommendations from the previous year's management letter had been addressed and that no significant control issues had been identified through a robust audit. Only two recommendations had been made by KPMG both of which would be addressed by management. However, in light of the matters referred to in the presentation from the Chair of the Finance Committee, the Management Letter was not yet in a final form and it was therefore prudent to consider the final version of this document and the Regularity Audit Questionnaire in January.

Accordingly it was

RESOLVED

- **That consideration of the Regularity Audit Questionnaire and the Draft Management Letter be deferred.**

(vi) Risk Management Update

AM advised that the Committee had discussed the new approach to risk management and had emphasised the importance of mapping across risks from the existing framework so that the Committee could be satisfied that in the transition the College was not losing sight of these risks.

The Committee had also discussed the work on risk appetite which was informing the reiteration of the Risk Strategy. Governors were reminded of the opportunity to complete the survey in order that their views on risk appetite could be reflected in the strategy.

Accordingly it was

RESOLVED

- **That progress with the Risk Management Strategy be noted**

To conclude the Chairman's report AM advised the Corporation that the Committee had received a report on Health and Safety with performance information that would now be reported to the Committee as a standing item. As health and safety was a responsibility of the Corporation collectively AM recommended that this information be reported up to the Corporation in future.

Item 5 – Report from the Chair of Academic Standards and Quality Development Committee

(i) Draft Minutes 6.12.16

These were noted

(ii) Self- Assessment Report and Quality Improvement Plan

VD advised that the format of both the SAQ and QIP were in a format that reflected the CIF Ofsted requirements. In summary, the self- assessment conclusion was that the College requires improvement. The SAR had been moderated by Ofsted trained inspectors and was considered to be a robust and honest assessment of the College's performance over 2015-16.

The Committee had focussed on measurement of progress throughout the year and had asked for milestones and RAG ratings to be updated by mid-January.

Thereafter, LJ delivered a presentation to the Corporation setting out the final achievement rates for the year for both Education and Training and Employer Responsive Delivery, breaking the information down by level, SSA, and age.

JO queried how the feedback from the last inspection had been addressed in the report and LJ advised that there was a section in the SAR that addressed the points made in the last Ofsted inspection and those made by the FE Commissioner.

It was agreed that the presentation would be sent to governors so that they could consider the data further.

Accordingly it was

RESOLVED

- **That the SAR and the QIP be approved**

(iii) Higher Education Performance Plan

VD summarised the reports before the Corporation and the discussion of these at the Committee. The QAA assessment that reported earlier in the year had been positive. The AMR confirmed, in summary, that the overall success rates and progression were up but below target, and attrition rates were down and showing a trajectory that was consistent with the 2017/18 target. It was noted that student numbers had also declined.

The Corporation were advised that amongst the recommendations was a new requirement that the Principal sign an assurance statement as required by the Higher Education Funding Council and that the Corporation satisfy itself as to the representations required by that statement.

JO asked whether consideration had been given to the relationship between the performance issues identified and the HE strategy and LJ advised that the Executive Team had recently considered an update to the strategy that examined growth areas and targets and discussed the necessary marketing provision to deliver the projected growth. It was agreed that this would be referred to the next meeting of the Committee to assess progress against the strategy.

JO asked that this information contain income forecasts.

Accordingly it was

RESOLVED

- (i) That the Corporation agree that the College Annual Monitoring Return for 2015-16 evidences that:**
 - **The student academic experience and the student learning outcomes have been reviewed for 2015-16**
 - **The impact of key enhancement objectives for 2015-16 have been evaluated**
 - **Poor performance has been identified and key enhancement objectives developed to improve performance in 2016-17**
 - **Associated risks have been identified and mitigated against by the identified enhancement objectives and key actions to be delivered in 2016-17 through a closely monitored and scrutinised HE Quality Improvement Plan**
- (ii) That the Principal sign the assurance statement required by the Higher Education Funding Council as appended to the report**

(iv) Annual Child Protection and Safeguarding Report

VD summarised the report and advised the Corporation that there had been an increase in referrals in 2015-16 compared with the preceding year and this reflected the staff training and focus that the College brought to this issue. There had also been developments in the management of and training in Prevent and Fundamental British Values in the year and which was reflected in the annual report

Accordingly it was

RESOLVED

- **That the Annual Report on Child Protection and Safeguarding be noted.**

(v) Annual Summary of Complaints

VD introduced this report and advised that the report demonstrated an increase in complaints from the previous year, but this was in keeping with the College's encouragement of complaints as a tool to drive service improvements. It was acknowledged that improvements were needed in the analysis and presentation of the data and the way in which the College linked this into performance data, and the recently appointed Director of Quality would be addressing these points.

Accordingly it was

RESOLVED

- **That the annual summary of complaints be noted**

Thereafter VD summarised the results of the recent induction survey, noting that there had been a good improvement in the satisfaction rate but that the College was still in the bottom quartile, with students identifying improvements needed in English and Maths and the quality of teaching generally.

JB asked what steps the College was taking to address the needs of students on the autistic spectrum and LJ acknowledged that this was an area for improvement identified in the induction survey. She was examining the possibility of introducing more counsellors into the College and training on recognising and addressing diverse needs was being developed.

Item 6 – Report from the Chair of Governance and Search Committee

(i) Draft Minutes 22.11.16

These were noted

(ii) Succession Planning and Appointment of Independent Governors

JO reminded the Corporation of the priorities for Board development identified in the recent Strategy day and which were now being addressed. In addition, governors would be surveyed in the new-year on the timing and venue for Corporation and Committee meetings to establish whether the existing arrangements remained suitable.

Thereafter, JO advised the Corporation that the Committee had considered the composition of the Board in light of recent and prospective additions and that it would be necessary to recruit up to three more governors in 2017, with the focus on educational leadership, health and safety and politics.

The Principal advised that he would approach contacts in the rail industry who may be able to recommend a prospective governors with business and safety related experience.

JO then advised the Corporation that following recent interviews the Committee was recommending the appointment of two new independent governors whose details had been circulated prior to the meeting.

LN advised that the proposed appointments of independent governors would require an increase in the maximum permitted numbers of independent governors and an amendment to the Instrument and Articles of Government to reflect this. It was agreed that the maximum number of independent governors be increased to twelve.

Accordingly it was

RESOLVED

- **That a maximum of three independent governors be sought in 2017 and that candidates be sought with skills and experience in one of educational leadership, health and safety or politics.**
- **That Simon Thompson and Amardeep Gill be appointed to the Corporation as independent governors for a term of four years.**
- **That the instrument and articles of government be amended to allow a maximum of twelve independent governors.**

Item 7 – Any Other Business

(i) Senior Post Holder Performance Reviews

This is recorded in a confidential minute

(ii) Committee Membership Review

LN referred to the draft committee membership as contained in the meeting pack and the meeting agreed the membership as proposed.

Accordingly it was

RESOLVED

- **That the proposed Committee membership as contained within the meeting papers be endorsed.**

(iii) Funding Investigations

It was agreed that this matter had been addressed elsewhere in the agenda

Date of Next Meeting: Thursday 16 March 2017

Signed.....

Chairman

Date.....16th March 2017