



**MINUTES OF THE CORPORATION MEETING HELD ON
MONDAY 22 MAY 2017 AT 5.00 PM
IN THE BOARD ROOM AT THE ROUNDHOUSE**

Present: Janet Morgan (*Chair*), Jack Atwal, Tim de Ville, Phil Dover, Gary Malcolm, Jonathan McCluskey, Graham Schuhmacher, Kevin Slack, Simon Smith, Mandie Stravino, David Williams

In attendance: Jon Fearon, Michael Ford, April Hayhurst, Heather Simcox, Rose Matthews (Clerk)

	Action	Date
72/16-17 Apologies for absence Apologies for absence were received and accepted from Nick Freeman.		
73/16-17 Declarations of interest, confirmation of eligibility and quorum All members were eligible and the meeting was quorate. There were no further new declarations of interest.		
74/16-17 Minutes of the previous meeting The minutes of the meeting held on 13 March 2017 were approved and signed as a true and accurate record.		
75/16-17 Matters arising		
53/16-17 The Director of Business Improvement had shared the end of year review with Nick Freeman.		
76/16-17 Chief Executive Update The CEO provided a policy update, which included the following: <ul style="list-style-type: none">• Key highlights from the Technical and Further Education Bill• HE and Research Bill• Rising to the Challenge, the FE and skills sector over the next decade• The launch of the ESFA (combing the SFA and EFA)• GCSE grade 4 confirmed as a standard GCSE pass compared with grade 5 which is a 'strong' pass.		

	Action	Date
<p>The Deputy CEO circulated the Strategic Plan summary for 2017-2020, which contained the vision, mission and core aims.</p>		
<p>77/16-17 April 2017 Management Accounts</p>		
<p>The CFO confirmed the College was on track to achieve the 9% EBITDA measure to move to good financial health.</p>		
<p>The cash position was positive, which over this period historically had resulted in the need for overdraft facilities. However, stronger cash flows prevented this during this year's period.</p>		
<p>Kevin Slack, the Chair of Audit Committee, asked if cashflow would prove more difficult to achieve with the Apprenticeship Levy. The CFO said if the College builds up a cash balance then it is secure.</p>		
<p>The pay award was delayed and £200k has been factored into the budget for that.</p>		
<p>Graham Schuhmacher pointed out that under the Levy the payments will be deferred by three months as the apprentices have to be on programme for three months. The CFO said it will have a long term effect, but that cash flow was being rolled further forward.</p>		
<p>78/16-17 Budget Assumptions 2017-18, including Initial Funding Allocation 2017-18</p>		
<p>The CFO confirmed the headline budget targets were to achieve a total income of £51m, compared to (£49m in 2016-17) and a funding body income of £40.9m. Non-pay costs were at £13.9m and staffing costs were £32.8m (67%).</p>		
<p>The Chair questioned the 67% staffing costs; some of this related to the growth in the Apprenticeship area. The CFO said some external services were being reviewed, with a view to bringing in-house, with a service based rather than staffing based contract.</p>		
<p>The Board approved the headline recommendations.</p>		
<p>79/16-17 Sub-contracting Partnership Review – mid-year update</p>		
<p>The Deputy Principal – Employer and Economic Affairs summarised the financial and quality performance of sub-contracting partnerships.</p>		
<p>It was noted there had been an increase in sub-contracting throughout the year.</p>		
<p>Retention figures in the current year were good, with classroom at 95% and apprenticeship at 82%.</p>		

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<p>Teaching and learning observations were good or excellent.</p> <p>Student surveys carried out showed that 77% of students completely agreed their learning needs were met on programme.</p> <p>The Board noted the mid-year position for sub-contracting.</p>		
<p>80/16-17 Tuition Fees Policy 2017-18</p> <p>The Tuition Fees Policy had been updated to reflect changes in policy and funding guidance and to review income generation.</p> <p>The Board was asked to note the changes to the Policy, outlined in the report and note the increase of FE fees would bring an increase in income of approximately £15K.</p> <p>The Board approved the Tuition Fees Policy 2017-18.</p>		
<p>81/16-17 Report from the Audit Committee held on 21 March 2017</p> <p>The Chair of Audit Committee provided a summary of discussions at the meeting held on 21 March 2017.</p> <p>The 2016-17 Assurance Plan was presented, with five audits completed at that date. Members received Internal Audit reports relating to HE Growth and the English and Maths Strategy.</p> <p>HE Growth was given an overall amber assessment and provided a positive audit opinion. The Committee gave attention to the three recommendations identified.</p> <p>The English and Maths Strategy, which included Grade Predictions (Part 1), received a green assessment with no substantial weaknesses, but two recommendations which the Committee took note of.</p> <p>The final Representations Letter and MBS accounts were presented to the Committee. The Committee recommended the Representations Letter and MBS accounts for approval.</p> <p>Corporation approved the Representations Letter and MBS accounts.</p> <p>The Audit Committee received the final Advisory Audit Report providing external assurance of Sub-Contracting Controls, which was a follow-up report from the External Assurance Review carried out in 2015-16. Three of the five recommendations had been fully implemented with follow up actions identified.</p> <p>Upon reviewing the Internal and External Recommendations Monitoring Report, 33 of the 58 recommendations had been actioned, with 24 being undertaken.</p>		

	Action	Date
<p>The Committee reviewed the Risk Register and were given an update on the high priority risks identified.</p> <p>A cash loss within the College was highlighted with a full HR investigation being carried out.</p> <p>The CFO presented the updated Financial Regulations and the Audit Committee recommended these for adoption by Corporation.</p> <p>Corporation approved the updated Financial Regulations.</p> <p>Following the receipt of the Management Letter from the External Auditors, the Audit Committee was able to finalise the draft Audit Committee Annual Report which had been presented to December's Corporation meeting.</p> <p>The Committee received a report highlighting the changes made to the Financial Memorandum in 2016-17 and a briefing on the liabilities placed on Members through the Insolvency Regime. It was requested that the Clerk circulate this to all Corporation Members.</p> <p>A letter from the ESFA had been received reminding Members of their responsibilities.</p>	Clerk	17/07/17
<p>82/16-17 Key Performance Indicators</p> <p>The Business Improvement Director presented the KPIs.</p> <p>Overall retention (all ages) was at 95%, which was a 1% increase on the College's target.</p> <p>Overall attendance (all ages) was at 87% which was -3% below the College's target. Graham Schuhmacher said 90% was not an aspirational target. He pointed out employers would not expect above 87% attendance. It was agreed to review this further at Curriculum and Quality Board.</p>	Clerk	12/06/17
<p>83/16-17 Strategic Risk Monitoring</p> <p>The Director of Business Improvement summarised his report which detailed the high priority risks identified in the Corporate Risk Register and gave a summary of current litigation action being taken against the College.</p> <p>He highlighted the employer control of apprenticeship funding, which had been previously raised as part of the Funding Allocations report.</p> <p>A new risk relates to the changes in the Data Protection Legislation which will take effect in May 2018. An audit review has commenced to ensure the College is compliant and a training programme implemented to raise awareness, along</p>		

with the introduction of a cross-College Data Protection Focus Group.

84/16-17 Student Voice

The Student Union President provided a verbal update to Members which included the following:

- Student Rep meetings
- Visits
- NUS elections
- Apprenticeships
- Commercial activities
- Awards

Staff and student members left the meeting.

Action

Date

Signed: _____

Date: _____