

**MINUTES OF THE CORPORATION MEETING HELD ON
MONDAY 16 JULY 2018 AT 5.00 PM
IN THE BOARD ROOM AT THE ROUNDHOUSE**

Present: Janet Morgan (*Chair*), Richard Brewell, Phil Dover, Nick Freeman, Mike Kapur, Peter Lewis, Gary Malcolm, Lee Pratt, Graham Schuhmacher, Kevin Slack, Mandie Stravino, David Williams

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

		Action	Date
89/17-18	HEALTH AND SAFETY TRAINING		
	<p>Further to the training session held at the last Corporation meeting on 21 May 2018, the Environmental Compliance Manager presented an overview of the health and safety management and reporting structure.</p> <p>Evidence of achievement of towards each standard was shared with the Board.</p> <p>A request for a dedicated Health and Safety Lead Governor was made and Nick Freeman agreed he would be interested in taking on the role. This would also include attendance at Health and Safety Board meetings. The Clerk would liaise with the Environmental Compliance Manager to organise the visits.</p>	Clerk	30/07/18
90/17-18	APOLOGIES FOR ABSENCE		
	<p>Apologies for absence were received and accepted from Jack Atwal and Martyn Marples.</p>		
91/17-18	DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM		
	<p>All members were eligible and the meeting was quorate.</p> <p>Graham Schuhmacher declared an interest as Chair of the Derby Manufacturing UTC</p> <p>Mandie Stravino declared an interest as she represented Derby College as a member of the UTC.</p> <p>As a Director of the UTC, Kate Martin declared an interest.</p> <p>Nick Freeman declared an interest as Toyota, as the organisation he worked for, were a lead partner.</p> <p>Michael Ford was a Director of DDAT and Vice Chair of the Trust.</p>		

	Action	Date
<p>92/17-18 CONGRATULATIONS</p> <p>The Chair congratulated the CEO on her appointment as Chair of the Regional CBI.</p>		
<p>93/17-18 MINUTES OF THE PREVIOUS MEETING</p> <p>The minutes of the meeting held on 21 May 2018 were formally approved and signed as a true and accurate record.</p>		
<p>94/17-18 MATTERS ARISING</p> <p>74/17-18 The Environmental Compliance Manager had presented the follow up session.</p>		
<p>84/17-18 The Director of Business Improvement confirmed the Health and Safety item had been increased to provide more detail on the Strategic Risk Monitoring Report.</p>		
<p>95/17-18 REPORT FROM THE STANDARDS COMMITTEE, HELD ON 12 JUNE 2018</p> <p>The Chair of the Standards Committee presented his report following on from the meeting held on 12 June 2018.</p> <p>The Committee had received a presentation from the Head of College – Broomfield Hall summarising the Landex Peer Review which had taken place in April. Inspectors praised the College’s “robust quality system”, in year development and progress, good work opportunities and destination data linked to commercial facilities. DCG was top of the achievement rates for Landex members in 2016-17.</p> <p>The Committee Chair and Graham Schuhmacher had both joined the panels for the Curriculum Business Planning presentations, which would feed into the overall business planning process.</p> <p><u>Effective Leadership and Management</u></p> <p>The Committee Chair shared the student survey results as part of the OQPR.</p> <p>Attendance data had been broken down by specific groups to allow further analysis. Data for students with mental health issues was currently being analysed.</p> <p>The work with the Rapid Improvement Panels was ongoing and this area was also discussed at the Curriculum Business Planning Panels, when relating to reviewing and interpreting the data available.</p> <p>Apprenticeship starts had increased, contrary to a national trend and there was a recruitment drive for apprenticeship teaching.</p>		

Quality of Teaching, Learning and Assessment

The Committee discussed the main areas of strength with within the lesson which related to stretch and challenge and noted some later observations showed the impact of the T&L Coaches.

There were ongoing discussions with the regard to the scorecard with adjustments being made.

Personal Development Behaviour and Welfare

Looking at employer led enrichment activities 96% of students were involved.

There had been an increase in disciplinary sanctions with an updated report to be presented at the next meeting.

Safeguarding disclosures followed the pattern of previous years with mental health and wellbeing being the highest cause of disclosures.

The Chair of the Committee reported on his meeting with the Director of English and Maths and the Head of JWC, both of which were positive.

96/17-18

FINANCE REPORT, INCLUDING;

- **DCG and Subsidiary Management Accounts – May 2018**
- **2018-19 Budget and Financial Forecast**
- **Governing Body’s assessment plan in line with the Financial Planning checklist**

The CFO shared the Financial position with Corporation. The Group was on target to achieve the mid-year forecast. The Group was forecasting to maintain and strengthen the good financial health at the end of 2018-19 with reductions in turnover to continue to be offset by savings made.

The final 2018-19 budget was presented ahead of submission to the ESFA.

The CFO shared a graph which outlined the Group’s EBITDA position as a percentage of income and its work towards achievement of the FE Commissioners recommendation of an 8% EBITDA figure for a freestanding organisation, which it predicted to achieve in 2020.

Mike Kapur questioned what impact retention rates would have on the figures presented in the budget. He was informed that 2017-18 saw a reduction in the student numbers which impacted funding. 2018-19 was predicting a 200 student increase, with 90 students at A Levels. It was

noted there were a number of initiatives in place to support retention.

Kevin Slack said there had been a hold on capital and no pay increases and reference was made to the VAT liability. He said the forecast was creating a small surplus, EDITDA was not the bottom line but part of the overall picture.

The CFO presented the 2017-18 financial outturn, the Group had performed well overall to meet key financial objectives of strengthening reserves and generating cash to secure financial stability, whilst dealing with reduced turnover in apprenticeships and learner loans.

The Group had not met the financial target necessary to make pay awards (as detailed in within the finance report presented) for 2017-18 and due to affordability a recommendation was made not to make pay awards for 2017-18 or award retrospective increments.

Increments would be paid retrospectively for 2018-19 following a review of affordability and a 1% cost of living award would be made for 2018-19 from 1 September retrospectively. A further update would be provided to the Corporation in October 2018.

Nick Freeman questioned the impact not paying increments would have on retention and recruitment of employees. It was explained the AoC produced comparison data and the Group's staff turnover was not high by comparison. Many local colleges were making redundancies in light of a reduction in funding.

The CFO provided the Corporation with an update on the covenant with Barclays and agreed to circulate the exact wording for the covenant to adhere with FRS 102 accounting standards.

The Chair, Chair of Audit, CEO, Deputy CEO and CFO had met prior to the Corporation meeting to review the 2018-2019 Budget and Financial Forecast against the Financial Planning Checklist and confirmed they were happy with the process and that the supporting commentary had been prepared with due regard to the checklist.

APPROVED: The Corporation approved the budget for 2018-19, which is in line with the indicative budget agreed at the Corporation meeting held on 21 May 2018.

APPROVED: The Corporation approved the capital expenditure limit for 2018-19 of £1.2m to include the authority to lease where beneficial to the College (excluding grant aid).

Action	Date
CFO	22/10/18
CFO	31/07/18

	Action	Date
<p>APPROVED: The Corporation approved the sub-contractor arrangements and costs, including any subsequent increases to reflect final rollover values.</p> <p>97/17-18 REPORT FROM THE AUDIT COMMITTEE HELD ON 20 JUNE 2018</p> <p>The Chair of the Audit Committee presented his report following the Audit Committee meeting held on 20 June.</p> <p>The External Auditors, BDO, shared their Audit Planning Report and highlighted their key audit risks, which related to revenue recognition, management override, going concern and the Lennartz VAT liability. No management points were identified and they were confident timelines could be achieved for completion and approval in December.</p> <p>Internal audit reports were presented on:</p> <ul style="list-style-type: none"> • Readiness for Compliance to GDPR • 16-18 Student Journey • Mock Funding (ESFA) 16-19 Study Programme • Business Intelligence Strategy • Financial Strategy and Budgetary Controls <p>Verbal reports were shared, with a view to presenting the full report at the next meeting:</p> <ul style="list-style-type: none"> • Mock Funding (ESFA) 19+ Apprenticeships • Follow up <p>The Committee reviewed the draft Audit Plan, which would be finalised at the next meeting once the outcome of the potential merger was known.</p> <p>A summary of the Post-16 Audit Code of Practice was shared at the Committee meeting with no major changes identified.</p>		
<p>98/17-18 REPORT FROM THE SEARCH AND GOVERNANCE COMMITTEE HELD ON 2 JULY 2018</p> <p>The Chair of the Search and Governance Committee provided a verbal report to the Committee, following the meeting held on 2 July 2018.</p> <p>The Committee discussed the composition of the Board and reviewed members' terms of office.</p> <p>The Instrument and Articles of Government were updated to incorporate the new Insolvency Regulations, exceeding the 8-year membership in extenuating circumstances and voting by electronic correspondence. The Committee</p>		

	Action	Date
<p>recommended the Instrument and Articles of Government for approval.</p> <p>APPROVED: The Corporation approved the revised Instrument and Articles of Government.</p> <p>A revised Skills Audit, aligned to the Group's provision was circulated for members to complete and return to the Clerk.</p> <p>A Data Protection Agreement for members was circulated to meet the requirements GDPR, but also relating to the information members held on themselves. Members were asked to return this to the Clerk.</p> <p>The Link Governor role was discussed at the meeting and the Committee Chair shared details of a pilot he would be trialling at Broomfield Hall with regard to an educational standards committee.</p>		
<p>99/17-18 ANNUAL REPORT ON FREEDOM OF INFORMATION</p> <p>The Deputy CEO presented the Annual Report on Freedom of Information.</p> <p>There had been 15 requests received during the academic year with no common theme. The detail of the requests was contained within the report.</p> <p>The Freedom of Information Policy was approved by Corporation in May 2018 and the internal procedure was reviewed and revised at that point.</p> <p>RECEIVED: The Corporation received the Annual Freedom of Information Report.</p>	All	09/2018
<p>100/17-18 KEY PERFORMANCE INDICATORS</p> <p>The Deputy CEO presented the overarching KPIs for the College.</p> <p>The information presented summarised the areas that were performing well and those that were not. The detail within the data presented is analysed at Standards Committee.</p> <p>RECEIVED: The Corporation received the KPIs for 2017-18.</p>	All	09/2018
<p>101/17-18 STRATEGIC RISK MONITORING</p> <p>The Director of Business Improvement summarised the Strategic Risk Monitoring 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 Group.</p>		

	Action	Date
<p>Nick Freeman questioned why Health and Safety was highlighted on the Risk Register. The Director of Business Improvement explained this was because the Group continued to monitor the controls relating to that risk.</p>		
<p>RECEIVED: The Corporation received the Strategic Risk Report and Risk Register.</p>		
<p>102/17-18 APPOINTMENT OF CHAIR FOR 2018-19 AND 2019-20</p>		
<p>In March 2018, the Corporation agreed to extend the Chair's term of office until 2020.</p>		
<p>In line with the Standing Orders the Chair and should be elected at the last Corporation meeting before expiry of their term of office.</p>		
<p>APPROVED: The Corporation approved that Janet Morgan be appointed to serve as Chair for two years, 2018-19 and 2019-20.</p>		
<p>103/17-18 APPOINTMENT OF THE VICE CHAIR FOR 2018-19 AND 2019-20</p>		
<p>At their meeting in March 2018, the Corporation agreed to appoint Jack Atwal as Vice Chair, with a term of office of two years, for the period 2018-19 and 2019-20.</p>		
<p>APPROVED: The Corporation approved that Jack Atwal be appointed to serve as Vice Chair for two years, 2018-19 and 2019-20.</p>		
<p>104/17-18 REMOTE APPROVALS</p>		
<p>The remote approval of the following were ratified by the Corporation:</p>		
<ul style="list-style-type: none"> • Financial Regulations 		
<p>RATIFIED– the Corporation approved the policies.</p>		

The meeting finished at 7.00 pm

Signed: _____ Date: _____