

**MINUTES OF THE CORPORATION MEETING HELD ON
MONDAY 17 DECEMBER 2018 AT 4.00 PM
IN THE BOARD ROOM AT THE ROUNDHOUSE**

Present: Janet Morgan (*Chair*), Jack Atwal, Richard Brewell, Phil Dover, Mike Kapur, Peter Lewis, Gary Malcolm, Martyn Marples, Kevin Slack, Mandie Stravino, David Williams

In attendance: Jon Fearon, Michael Ford, April Hayhurst, Kate Martin, Heather Simcox, Pam Stanley (Minute number 29/18-19 only), Rose Matthews (Clerk)

		Action	Date
25/18-19	APOLOGIES FOR ABSENCE Apologies for absence were received and accepted from Nick Freeman, Graham Schuhmacher and Kate Cusick.		
26/18-19	DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM All members were eligible and the meeting was quorate. There were no new declarations of interest.		
27/18-19	MINUTES OF THE PREVIOUS MEETING The minutes of the meeting held on 22 October 2018 were formally approved and signed as a true and accurate record.		
28/18-19	MATTERS ARISING		
10/18-19	The Clerk had consulted with the Remuneration Committee in relation to the consultation on the new AoC Senior Staff Remuneration Code and the Corporation's response to the consultation had been submitted.		
29/18-19	HEALTH AND SAFETY ANNUAL REPORT 2017-19 The Environmental Compliance Manager joined the meeting to present the Health, Safety and Environmental Management Annual Report 2017-18. The report summarised the Group's performance and programme of work carried out throughout the academic year. Attention was drawn to the number of incidents reported during the year and how this compared against previous years. Items highlighted to Members included the Group's work towards achieving the KPIs set, with three of the four Health and Safety KPIs achieving 100%. Area health and safety management audits were 5% below the target set. Members		

	Action	Date
<p>were informed action plans were in place for all audits taken, with support provided for those areas not achieving the required standard.</p> <p>Environmental Management KPIs had been achieved, with some targets exceeded.</p> <p>As part of the Group's commitment to continuous improvement it aimed to seek accreditation of the ISO 45001 standard. Work had been undertaken towards the new ISO45001 standard to provide assurance health and safety management systems are robust and as part of the Group's ongoing commitment to health and wellbeing they will be seeking to achieve the Workplace Wellbeing Charter.</p>		
<p>APPROVED: The Corporation received and approved the Annual Health and Safety Report and arrangements would be made for this to be published on the Group's website.</p>	Clerk	31/12/18
<p>The Environmental Compliance Manager had met with Nick Freeman, Health and Safety Link Governor several times and found the meetings useful and informative. She had worked with Nick to produce a draft Health, Safety and Environment Management Status Report, which was shared with Members. Members took away for review and were asked to provide any feedback through the Clerk.</p>	ALL	31/12/18
<p>30/18-19 REPORT FROM THE STANDARDS COMMITTEE HELD ON 20 NOVEMBER 2018</p> <p>The Chair of the Standards Committee presented his report from the meeting held on 20 November 2018.</p>		
<p>30/18-19.1 <u>DCG Self-Assessment Report (SAR) 2017-18</u></p> <p>The Committee Chair delivered a presentation on the College's SAR Report for 2017-18, which outlined areas of strength and the evidence to substantiate the judgements made. He also discussed areas for development and the grading of each under the four key Ofsted judgements. Slides focussed on performance against national average, apprenticeships overall and timely, high grades for English and maths 16-18 and 19+ programmes and priority groups performance.</p> <p>Members discussed attendance and that some areas were in special measures.</p> <p>The College self-evaluated itself as a grade 2 for overall effectiveness.</p>		

	Action	Date
<p>APPROVED: The Corporation approved the DCG Self-Assessment Report 2017-18 which had been recommended by the Standards Committee.</p>		
<p>30/18-19.2 <u>Annual Student Behaviour Report 2017-18</u></p> <p>The Annual Student Behaviour Report was presented, which provided Members with an overview of student behaviour matters over the year and outlined planned action/activity in 2018-19.</p> <p>The report contained a breakdown of the types of intervention undertaken.</p>		
<p>30/18-19.3 <u>Student Satisfaction Survey</u></p> <p>Time was spent during the Standards Committee discussing FE Choices. More students undertook the overall College survey. Student Services and the Student Union were looking at improved working to engage with students to respond.</p>		
<p>30/18-19.4 <u>HE Self-Evaluation Document (SED)</u></p> <p>The Committee had reviewed the HE SED which covered the context and quality of provision and recommended to the Corporation for approval.</p> <p>APPROVED: The Corporation approved the Higher Education Self-Evaluation Document which had been recommended by the Standards Committee.</p> <p>The Group had been visited by the OU Inspection Team – a team of expert readers visited the Group to assess the Group becoming an OU provider. It was a rigorous process which the Chair of Standards Committee had taken part in.</p> <p>A new HE Director would be commencing mid-January.</p>		
<p>30/18-19.5 <u>Equality and Diversity Report</u></p> <p>The Equality and Diversity Annual Report had been reviewed at Standards Committee, quite a lot of work had been undertaken in terms of driving diversity and inclusion forward.</p> <p>Jack Atwal questioned what work was being done with the Pakistani group and how that priority group was formed and suggested the report needed to reflect this. It was agreed to review this internally.</p> <p>APPROVED: The Corporation approved the Equality and Diversity Annual Report recommended by Standards Committee.</p>	HLS	31/12/18

30/18-19.6 Annual Sub-contracting Report

Members received the Annual Sub-contracting Report which covered education and training and apprenticeship partner performance for 2017-18. Ongoing monitoring of sub-contractor performance with planned observations and regular account meetings and compliance visits ensured overall performance with partners was good.

Members heard that 18 observations had been undertaken with seven different sub-contractors., 98% of sub-contracted students surveyed felt all their learning needs were met on programme.

Members received information on the 2018-19 allocation further to the report presented by the CFO in July 2018.

30/18-19.7 Standards Committee Terms of Reference

An annual review of the Standards Committee Terms of Reference had been undertaken. The only change related to included reference to the Local Education Standards Committee (the pilot at Broomfield Hall). The Committee recommended the Terms of Reference for approval.

APPROVED: The Corporation approved the Standards Committee Terms of Reference which had been recommended by the Standards Committee.

31/18-19 **FINANCE REPORT INCLUDING**

• **MANAGEMENT ACCOUNTS – OCTOBER 2018**

Since the circulation of papers, a draft set of accounts had been produced for November and the CFO highlighted some variances against those.

He pointed out £3K less for sub-contracting in November compared to October. The key factor in the variance was the extra 45 16-18 students for our partners which will generate an extra £180K in future years.

The Group continued to hold a strong cash position.

An overview was provided on the Lennartz case which was still ongoing.

The EBITDA this month was at 6% with income at £1.3m.

32/18-19 **REPORT FROM THE AUDIT COMMITTEE HELD ON 20 NOVEMBER 2018**

The Audit Committee Chair presented his report from the meeting held on 20 November 2018.

Action

Date

The Committee received the Annual Internal Audit Report, presented by Internal Auditors ICCA. The report provided reasonable assurance the controls were operating adequately and effectively.

At the meeting ICCA also shared the final Internal Audit Plan for 2018-19 for Corporation approval, which included a no of re-allocated days to relevant areas.

APPROVED: The Corporation approved the Internal Audit Plan for 2018-19 recommended by Audit Committee at its meeting on 20 November 2019.

The External Audit Report for 2017-18 was presented alongside the Group's Financial Statements for approval. The Audit Committee Chair highlighted one surprise adjustment – the ESCROW account which related to the old Ilkeston College, which brought in an additional £315K.

The only issues are those noted at the Audit Committee meeting in terms of resources and better planning on the closure and completion process. Overall it was a clean report and recommended as a going- concern. One item not adjusted for in the schedule was a £50K increase in profitability, which related to holiday pay accrual.

The consolidated income statement including the MBS subsidiary showed a group turnover of £46.8m, this was a reduction on last year, in the main due to reduced funding body grants. This had led to the Group reducing its cost base.

The pensions liability had been reduced by £2.8m this year, there is still a pensions liability but it is not getting any worse.

APPROVED: The Corporation approved the Financial Statements for 2017-18 which had been recommended by the Audit Committee at its meeting on 20 November 2018.

The Mackworth Business Services (MBS) Financial Statements were received and approved at the MBS Board meeting on 13 December. More costs have gone through the subsidiary than previously, but overall, the statements showed good performance within the subsidiary.

APPROVED: The Corporation approved the Financial Statements for Mackworth Business Services.

The Audit Committee's Annual Report was presented to the Committee for approval. On the basis of the independent assurances received the Committee's opinion was that the

	Action	Date
<p>Group had adequate and effective arrangement arrangements in place.</p> <p>Audit Committee members also received and reviewed the Data Protection Report and were also informed of the outcome of a Public Interest Disclosure investigation which found some inconsistencies in practice which were being addressed, but nothing further of concern.</p>		
<p>33/18-19 COMPLAINTS AND COMPLIMENTS REPORT</p> <p>The Deputy CEO shared the annual Complaints and Compliments Report for 2017-18 and summarised for Members.</p> <p>The complaints were broken down into curriculum and support and employer complaints with a summary of the key themes highlighted. There were no unusual trends identified.</p> <p>A new Complaints and Compliments Policy was presented to Corporation for approval.</p> <p>Martyn Marples suggested including a line in the annual report relating to the process.</p>	<p>HLS</p>	<p>31/12/18</p>
<p>34/18-19 PUBLIC VALUE STATEMENT</p> <p>An annual review of the Public Value statement had been undertaken, additions related to new appointments in the Behaviour team, and it was hoped to report on those activities as part of next year's review.</p> <p>APPROVED: The Public Value Statement for 2018 was approved by the Corporation.</p>		
<p>35/18-19 MODERN SLAVERY STATEMENT</p> <p>The Modern Slavery Statement was presented to the Corporation for approval.</p> <p>Members were asked to recall last year was the first year the Group had produced a statement and a review had been undertaken for the year.</p> <p>Additions included in the report were to acknowledge the amount the Group spent on good and services compared with its turnover. Along with reference to additional policies which incorporated elements of wellbeing and support mechanisms to prevent modern slavery for both students and employees.</p>		

	Action	Date
<p>APPROVED: The Modern Slavery Statement for 2018 was approved and the Chair signed the Statement prior to publication.</p>		
<p>36/18-19 STRATEGIC RISK MONITORING</p> <p>Members received the Strategic Risk Monitoring Report which provided an update on high priority risks identified on the Risk Register and a summary of current litigation being taken against the Group.</p> <p>One of the risks the Audit Committee identified as a concern was the ceiling at Broomfield Hall. An options appraisal was being undertaken along with costings to repair.</p> <p>This had been discussed in detail at the Health and Safety Committee and immediate measures had been taken to cordon off the area.</p>		
<p>37/18-19 KEY PERFORMANCE INDICATORS</p> <p>The Deputy CEO shared the Key Performance Indicators for 2018-19 and sought Corporation's approval of the targets.</p> <p>All targets, with the exception of attendance, were based on the sector formula, however attendance is proposed at 93% - based on the highest attending academy in 2017-18.</p> <p>Mike Kapur questioned that teaching costs as a percentage of income had come down, yet total pay costs seemed static. The CFO agreed to speak to Mike outside of the meeting.</p> <p>Martyn Marples said he was happy with stretching targets, but asked if 93% was achievable.</p> <p>Phil Dover explained that it was preparing students for the world of work, unless the targets were stretched the culture would not change.</p> <p>APPROVED: The Key Performance Indicators for 2018-19 were approved.</p>	CFO	31/12/19
<p>38/18-19 FURTHER EDUCATION CORPORATIONS AND SIXTH-FORM COLLEGE CORPORTIONS: GOVERNANCE GUIDE.</p> <p>The Clerk shared the updated Governance Guide with Members, recommending all Members familiarise themselves with the guide.</p>		

The Guide outlined the core functions of Corporation which were also contained in the Group's Instrument and Articles and the six main duties of a governor under charity law. There was also added focus on fraud awareness.

39/18-19 NAME CHANGE

The Chair informed the Committee approval had been granted by the Department for Education on behalf of the Secretary of State to official change the Groups name to DCG – Derby College Group.

40/18-19 POLICIES

The Standards Committee recommended the following policies for approval by the Corporation:

- Self-Assessment Policy

The Audit Committee recommended the following policies for approval by the Corporation:

- IT Security Policy
- Risk Management Policy

The Corporation had received the following policies remotely for approval:

- Safeguarding Policy
- Little Explorers Safeguarding Policy
- Health and Safety and Welfare at Work Policy
- Equality and Diversity Policy
- Sub-contracting Policy
- Compliments and Complaints Policy

APPROVED

The Corporation approved the Self-Assessment Policy recommended by the Standards Committee at its meeting on 20 November 2018.

The Corporation approved the following policies recommended by the Audit Committee at its meeting on 27 November 2018

- IT Security Policy
- Risk Management Policy

The Corporation ratified the following policies it received and approved remotely:

- Safeguarding Policy
- Little Explorers Safeguarding Policy



- **Health and Safety and Welfare at Work Policy**
- **Equality and Diversity Policy**
- **Sub-contracting Policy**
- **Compliments and Complaints Policy**

Action	Date

The meeting finished at 5.35 pm

Signed: _____ Date: _____