



**MINUTES OF THE CORPORATION MEETING HELD ON
MONDAY 17 JULY 2017 AT 5.00 PM
IN THE BOARD ROOM AT THE ROUNDHOUSE**

Present: Janet Morgan (*Chair*), Tim de Ville, Phil Dover, Nick Freeman,
Gary Malcolm, Kevin Slack, Simon Smith, Mandie Stravino, David Williams

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

		Action	Date
96/16-17	Apologies for absence and introductions Apologies for absence were received and accepted from Jack Atwal, Jonathan McCluskey and Graham Schuhmacher. The Chair noted this would be Tim de Ville's and Gary Malcolm's last meeting and thanked them for their contribution to the Board during the past year. Tim would be replaced by Lee Pratt, the new Staff Governor and Gary would be replaced by Carl Anderson, the new Student Union President.		
97/16-17	Declarations of interest, confirmation of eligibility and quorum All members were eligible and the meeting was quorate. There were no new declarations of interest.		
98/16-17	Minutes of the previous meeting The minutes of the meeting held on 22 May 2017 were approved and signed as a true and accurate record.		
99/16-17	Matters arising		
81/16-17	The Clerk had circulated the Insolvency briefing to all Board Members.		
82/16-17	Attendance had been fully reviewed at the Curriculum and Quality Board held on 14 June 2017.		
100/16-17	2017-18 Budget and Financial Forecast <ul style="list-style-type: none">Governing Body's assessment plan in line with the Financial Planning Handbook Checklist		

The CFO presented a proposed budget for 2017-18 and sought the Corporation's approval ahead of submission to the ESFA by the deadline of 31 July 2017.

The Corporation Chair and the Chair of the Audit Committee, along with the CFO, CEO and Deputy CEO had reviewed the financial forecast in depth and compared key lines with the detail in the Financial Planning Handbook checklist.

A sector EBITDA figure of 8% was predicted which would give the College a 'good' financial health rating.

The 2016-17 position had benefitted significantly from the lagged funding of 16-18 students. The shortfall in 2016-17 student numbers would not impact until 2017-18 when it would result in a £850K reduction in income. As a consequence, the College would not meet its financial targets necessary to make pay awards for 2016-17 and due to affordability it was recommended not to award a retrospective pay award for 2016-17 and not to award retrospective increments for 2016-17.

An assumption has been made in the 2017-18 budget to make a pay award and pay increments retrospectively, subject to achievement of financial targets and following a review of affordability.

Nick Freeman asked if any consideration had been given to non-consolidation. The Chair said the pay award was based on the achievement of targets which were not reached. Kevin Slack said that would also have an impact on next year's budget.

The CFO covered the key assumptions for the 2017-18 budget, highlighting the £850K reduction in income, although noting substantial income would be received from the Apprenticeship Levy for both 16-18 and adult age groups from May 2017. There would also be increased pension costs and costs incurred by the Apprenticeship Levy.

The greatest opportunity would be in the Apprenticeship market – expected to achieve an increase of £2.5m, which does carry some element of risk to it.

The Deputy Principal – Employer and Economic Affairs discussed the huge potential in the market, particularly in relation to those employers who have worked with the College in the past but haven't yet committed.

Kevin Slack noted that whilst larger employers understood the Levy, it would take smaller employers time to understand its implications.

The Board approved the budget for 2017-18 acknowledging guidance contained within the Financial Planning Handbook checklist.

The Board approved the capital expenditure limit for 2017/18, including the authority to lease where beneficial to the College.

The Board approved the sub-contractor proposal for 2016/17, including any subsequent increases to reflect final rollover values.

		Action	Date
	The Board approved the financial forecast for 2018/19.		
	The Board noted the benchmarking information and were satisfied with the College's plans.		
	The Board approved the recommendation not to award a pay increase or increments in 2017-18 based on affordability and the failure to achieve key targets in 2016-17 for Apprenticeships and EFA student numbers.		
101/16-17	Financial update including <ul style="list-style-type: none"> Management Accounts June 2017 <p>The CFO presented the Management Accounts for June 2017, headlines of which were discussed.</p>		
102/16-17	Strategic Risk Monitoring <p>The Director of Business Improvement shared his report which detailed the high priority risks in the Corporate Risk Register and provided a summary of current litigation action being taken against the College.</p> <p>Of note to Corporation Members, were the addition of health and safety and focus on apprenticeship funding and the changes in the Data Protection legislation.</p> <p>There was no new litigation to report.</p>		
103/16-17	Property Report <p>The Deputy CEO presented a progress report towards the achievement of the College's Property Strategy.</p> <p>Of particular note to Corporation Members, a questionnaire had been received from the ESFA with a request to collect data on the College's buildings, following the Grenfell Tower fire. The College submitted the questionnaire by the deadline, and at this stage there were no undue concerns.</p>		
104/16-17	Freedom of Information Report <p>The Deputy CEO provided a report detailing a summary of Freedom of Information (FOI) requests for 2016-17 for Members' information. Members noted responses complied with guidelines.</p>		
105/16-17	Report from the Audit Committee held on 27 June 2017 <p>The Chair of the Audit Committee presented the report from the meeting held on 27 June 2017.</p>		
105/16-17.1	<u>External Audit Plan and Strategy for 2016-17 Financial Statements</u>		

	Action	Date
<p>The Committee approved the External Audit Plan and Strategy for 2016-17 Financial Statements.</p> <p>105/16-17.2 <u>Internal Audit Reports</u></p> <p>The Internal Auditors, ICCA, provided verbal updates on the three recent internal audit reports, the full reports of which would be available for the September 2017 meeting.</p> <p>Corporate Governance had received an overall green rating, with three recommendations, the main one relating to safeguarding training which had been scheduled for September 2017.</p> <p>Part 1 of the English and Maths Strategy Audit had been completed with Part 2 of the Audit deferred to give the new English and Maths Director an opportunity to embed the recommendations.</p> <p>The Mock Funding Audit had been deferred to July 2017.</p> <p>Members received the Apprenticeships Reforms and Growth Strategy (Part1) Internal Audit Report with one recommendation.</p> <p>The Fundamental Financial Accounting Controls Internal Audit Report was presented, which found no significant weaknesses, but identified four recommendations.</p>		
<p>105/16-17.3 <u>2017-18 Assurance Plan</u></p> <p>The Committee would agree the assurance plan at their meeting in September.</p>		
<p>105/16-17.4 <u>Review of Internal and External Audit Recommendations</u></p> <p>High priority risks were identified in the Corporate Risk Register as well as actions taken to mitigate against these.</p>		
<p>105/16-17.5 <u>Cash Loss Report</u></p> <p>Members received a Cash Loss Investigation Report and noted the recommendations highlighted had been implemented. The Chair said he was pleased with the action the management had taken.</p>		
<p>105/16-17.6 <u>EU General Data Protection Regulation</u></p> <p>The Committee had received a presentation on the EU General Data Protection Regulation, which highlighted the key principles of the regulation and compliance measures being taken by the College.</p>		

	Action	Date
<p>105/16-17.7 <u>Procurement Regulations and Tendering Procedures</u></p> <p>An annual review of the Procurement Regulations and Tendering Procedures had taken place and it was agreed this would be revisited and cross referenced with the Human Trafficking Statement.</p>		
<p>106/16-17.8 Report from the Curriculum and Quality Committee held on 14 June 2017</p> <p>The Chair of the Curriculum and Quality Committee shared his report from the meeting held on 14 June 2017.</p> <p>The meeting commenced with a presentation from the Senior Teaching and Learning Coach, who covered developments to date which reflected Ofsted's view of teaching and learning in the College. The Chair was inspired by the next steps in terms of the future strategy and innovative techniques engaged.</p> <p>Members of the Committee spent time scrutinising and discussing attendance, noting that employers' expectations were higher than benchmarks set. The Committee Chair reported that the College did not demonstrate any complacency around attendance and examples of new initiatives to continually improve students' attendance were presented to the Committee.</p> <p>An updated Organisational QPR was presented to Members, highlights include the successful reaccreditation of the IAG Matrix Award and the Landex Peer Review.</p> <p>A proposal was presented to the Committee in line with the new Post-16 education reforms, to incorporate Apprenticeships, Academy and Technical Education into the Committee structure. The Committee agreed to change its name to the 'Standards Committee' from September.</p>		
<p>107/16-17 Report from the Search and Governance Committee held on 17 July 2017</p> <p>The Chair of the Search and Governance Committee provided a verbal report following the meeting held earlier in the day.</p> <p>The Committee had reviewed Members' Terms of Office and noted the number of Members whose Terms of Office were due to expire in 2018.</p> <p>The Committee recommended that Jack Atwal be considered, in principle, as a suitable replacement for the Chair of Corporation when the current Chair's term of office comes to an end and shadows the Chair for the forthcoming year.</p>		

The Corporation approved, in principle, that Jack Atwal, be considered as a replacement for the at the end of the 2017-18 academic year.

It was noted the Committee had pursued a number of options to recruit a replacement Chair for the Audit Committee. Although a number of candidates were being considered, a replacement had not yet been secured. The Committee therefore, recommended to Corporation to extend Kevin Slack's term of office for one year until 31 March 2019 given the extenuating circumstances.

The Corporation approved the extension to Kevin Slack's Term of Office for one additional year to 31 March 2019.

The Committee recommended to extend the Co-opted Governor, Rosslyn Green for a further year, to 31 July 2019.

The Corporation approved to extend Rosslyn Green's Membership of Audit Committee to 31 July 2019.

The Committee had received information regarding one new appointment who had met with the CEO and Chair of Corporation and recommended that Peter Lewis, former Chief Superintendent and Divisional Commander for Derbyshire Police, now working for Her Majesty's Inspectorate of Constabulary (HMIC), be appointed to the Board for two years. Peter would also join the Audit Committee.

The Board approved the appointment of Peter Lewis for two years ending on 31 August 2019 and his membership of the Audit Committee.

Former Board Member, Richard Brewell, whose term of office had been suspended due to ill health, had contacted the Clerk following improvement in his health and indicated his wish to re-join to the Corporation. The Committee recommended that Richard Brewell re-join the Board for two years until 31 August 2019. Richard would resume his role on the Audit Committee.

The Board approved the appointment of Richard Brewell for two years ending on 31 August 2019 and his membership of the Audit Committee.

A request was made for anyone interested in becoming a link governor to notify the Clerk.

Staff and student members left the meeting.

Signed: _____ Date: _____