



CORPORATION MEETING

24 July 2014

MINUTES

Present: Carole Thorogood (Chair))
Bill Colley)
Richard Cox)
Mark Dunwell) External governors
Larry Greenwell)
Gill Lane)
Clive Rix)
Stephen Russell)
Mark Shaw)
Malcolm Cowgill) Principal
Roger Fletcher) Staff governor (teaching)

In attendance: John Snow Vice Principal Corporate Services
Yultan Mellor Vice Principal Curriculum
Debbie Duggan Vice Principal Organisation Development
Jason Folkett Vice Principal Learner Services
Ian James Clerk to the Corporation
Jeanette Mortimer Head of Creative & Enterprise (minute 263)

PART 1

PRESENTATION

263 The Board received a presentation from the Head of Creative & Enterprise informing the governors of the work and progress of her department. On behalf of the Board, the Chair thanked her for her informative presentation which was well received by the governors.

APOLOGIES FOR ABSENCE

264 Apologies were received from Brendan Coulson and Dylan Smith (student governor).

DECLARATION OF INTERESTS

265 The Chair reminded governors of the requirement to declare their interest in any agenda items. Following any such declaration governors would not be able to speak or vote on the matters under discussion. Bill Colley, Gill Lane and Stephen Russell declared an interest in their reappointment in minute 274(1). Stephen Russell also declared an interest in the matters referred to in minute 272 and 274(3). The Chair and Vice-Chairs declared an interest in their reappointment in minute 297/8.

MINUTES

266 **Resolved** that the minutes (Part 1) of the meeting held on 26 June 2014 be approved as a correct record and signed by the Chair

Presentations

267 The Board had benefited from the presentations given at each meeting by the Heads of School and, whilst it was not proposed to repeat the exercise next year, the Principal suggested that they be invited to participate in the governors' strategy days. This proposal was supported by the governors who also felt that there would be value in receiving presentations on funding (from the Vice Principal Learner Services), on marketing and from the Heads of support areas.

MINUTES OF THE AUDIT COMMITTEE

268 The Committee Chair introduced the minutes of the meeting of the Committee held on 10 July 2014.

Key Financial Controls - Payroll

269 The Committee had advised the Board at the meeting on 22 May 2014 that an adverse opinion had been received after an audit of the payroll function and that the auditors would revisit the area in July. The Vice Principal Corporate Services reported that the auditors had now completed their work and had confirmed that all of the recommendations made in the original report had been implemented by the College.

Appointment of Chair

270 Bill Colley had announced his intention to stand down as Chair of the Audit Committee on 31 July and the Committee needed to appoint a replacement as there should not be a period during which there was no Chair of the Committee. It had been intended that Stephen Russell would be appointed as Chair but, with three governors in attendance, the Committee had been inquorate for this purpose since Stephen could not participate in a vote on his own appointment. Consequently the Committee had requested the Board to make the appointment at this meeting.

271 On behalf of the Board, the Chair thanked Bill Colley for his many years of effective service as Chair of the Committee. Bill would remain in membership of the Committee.

272 **Resolved** that Stephen Russell be appointed Chair of the Audit Committee until the first meeting of the Committee in the 2015/16 academic year

MINUTES OF THE GOVERNANCE & SEARCH COMMITTEE

273 The Board received the minutes of the meeting of the Committee held on 22 May 2014. The Board had dealt with some of the Committee's recommendations at the Board meeting on 22 May and the remainder were now received and approved.

274 **Resolved**

- 1 that Bill Colley be appointed for one year and Gill Lane and Stephen Russell be appointed for four years as governors in the external category of membership with effect from 1 August 2014
- 2 that the constitution of the Governance & Search Committee be amended to read "the Chair and Vice-Chairs of the Board, the Principal and one other external governor"
- 3 that Stephen Russell be appointed as a member of the Remuneration Committee
- 4 that the word 'any' be inserted after 'oversee' in paragraph 6 of the Governance & Search Committee's terms of reference

NOTTINGHAM COLLABORATION

275 The Chair and the Principal updated governors on developments regarding the funding of the 'hub' and on potential collaboration with New College Nottingham (NCN). Funding of £30m had been allocated by the LEP to the City Council who would be required to confirm in September that the project will proceed. The funding was hypothecated to this project.

276 A recent meeting of the joint working group had discussed how the project would be taken forward and had agreed a series of actions including the appointment of Gleeds to act as Project Manager. Work on curriculum planning was proceeding and it was intended that legal advisers would be appointed following a tender process. Hale Consulting would be conducting a Strategic Options Appraisal on behalf of the colleges.

277 The governors were pleased that the bid for funding had been accepted but were concerned that a number of significant issues remained to be determined including the nature and extent of any Joint Venture and complications with property disposals which would contribute to the capital cost.

QUARTER FOUR COLLEGE REPORT

278 The Board received and noted the comprehensive quarterly report enabling them to monitor progress with the College's performance. This included the routine dashboard report covering a range of performance indicators. Once again, governors commented on the usefulness of this report.

CURRICULUM PLANNING FOR 2014/15

279 The Vice Principal Curriculum introduced a report providing an overview of the curriculum plan for 2014/15 and drawing attention to the key issues and significant changes. In particular, the Board noted the following:

- Strong interest and potential recruitment of viable numbers to new provision in hospitality & catering offered at Trent Bridge from September
- Emphasis on consolidation and increasing class sizes to achieve greater efficiency
- A decline in Art & Design numbers which would be a key area for possible collaboration with NCN
- There would be fewer sub-contract partners in 2014/15 (see minute 281)
- College delivered apprenticeships looked likely to grow by around 25%
- All areas of delivery would be reviewed after the main enrolment period in September to consider student numbers and staffing

DRAFT DEVELOPMENT PLAN 2014/17

280 The Vice Principal Organisation Development presented the draft Development Plan for 2014/17 providing the headline strategy and key areas for improvement. The full document would be presented to the Board for approval when complete but, at this stage, governors were invited to comment on the overall headlines and strategic direction. Governors commented favourably on the quality of this document and were happy to endorse the contents at this stage.

PARTNERSHIP ARRANGEMENTS

281 The Board received a report setting out the Partnership Plan for 2014/15 and requesting approval to the Partnership Strategy. The Vice Principal Curriculum explained that, with a reduction in the adult single budget (ASB) and the growth of in-house provision, the amount planned for delivery using sub-contractors was to be significantly reduced in 2014/15. The College received tenders from all its existing high quality partners, but was only in a position to sub-contract 50% of ASB requested. No changes were proposed to the Partnership Contract this year.

282 It was noted that the College's partners had requested significant growth in adult apprenticeship provision on which there was no cap on growth. Consequently, the College would seek to grow this area of provision with those sub-contractors providing good quality and success rates. However, income assumptions in the 2014/15 budget had been kept at prudent levels.

283 **Resolved** that the Partnership Strategy be approved

EXPECTED FINANCIAL OUTTURN FOR 2013/14

284 The Vice Principal Corporate Services submitted a report setting out the likely outturn for the College budget in 2013/14. Whilst there had been several variances, the forecast was unchanged from the previous report at £789k deficit. It was noted that the adjustment of several property valuations could have an impact on the eventual outturn and that the year-end cash position looked healthier than expected due to the receipt of capital funding from the SFA.

BUDGET FOR 2014/15 & THREE YEAR FINANCIAL FORECAST

285 The Board received a report proposing the budget for 2014/15 and the three year financial forecast. The Vice Principal Corporate Services explained the key issues affecting the budget which was planned to result in an underlying surplus of £406k with an improved position of £559k in 2015/16.

286 Key issues noted were:

- No pay award for staff had been assumed
- Additional income for apprenticeships had been included at a modest level on the assumption that growth in this provision would continue to be uncapped
- The risks and sensitivities as detailed in the report
- The need for a full budgetary review in September when enrolment numbers were known
- The possible need for Bank support for the cash position in January to May 2015

287 **Resolved** that the budget for 2014/15 and the financial forecast be approved

INTERNAL AUDIT STRATEGY & PLAN 2014/15

288 The Board received the proposed Internal Audit Strategy and the Annual Plan for 2014/15, as recommended by the Audit Committee.

289 **Resolved** that the Internal Audit Strategy and the Plan for 2014/15 be approved and that authority be delegated to the Committee to make any changes they feel are necessary to the Plan during the year

MEMORANDA OF UNDERSTANDING

290 The Board received revised versions of the Memoranda noting that no major changes were proposed.

291 **Resolved** that the revised Memoranda of Understanding between the College and its subsidiary companies be approved

CODE OF CONDUCT FOR GOVERNORS

292 The Board received the latest version of the Code of Conduct for Governors which had been recommended by the Governance & Search Committee for adoption.

293 **Resolved** that the revised Code of Conduct for Governors be adopted

ACADEMY TRUST UPDATE

294 The Chair and the Principal provided a verbal update on the activities of the Trust which had included the rejection of a recent bid by another Trust to take over the Trust's academies. The Trust would shortly be undertaking a strategic review to determine whether to seek to increase the number of academies and the outcome of this debate would be reported to the Board in due course.

RISK MANAGEMENT UPDATE

295 The Board undertook their termly review of the Risk Register noting that the risk management arrangements had been reviewed by the Audit Committee. The main risks to which the College was exposed relating to student numbers and funding had been discussed in detail elsewhere on the agenda.

POLICY FRAMEWORK: COMPLIANCE UPDATE

296 The Board reviewed and noted the progress and timeliness of policy reviews.

APPOINTMENT OF CHAIR AND VICE-CHAIRS

297 The Clerk reminded the governors that they had previously decided not to operate the procedure for the election of Chair and Vice Chair this year thus indicating that they intended to reappoint the existing incumbents at this meeting.

298 **Resolved** that Carole Thorogood be appointed Chair of the Board and Gill Lane and Clive Rix be appointed as Vice Chairs for a period of one year with effect from 1 August 2014

RETIREMENT OF MARK DUNWELL

299 The Chair reminded the governors that this was Mark Dunwell's last Board meeting before his retirement as a governor after 14 years' service. She paid tribute to the valuable contribution that Mark had made to the work of the Board, particularly through his thoughtful and incisive comments and questions. On behalf of the Board, she presented a gift as a token of appreciation and Mark responded with some reflections on his time as a governor.

DATE OF NEXT MEETING

5.30pm, 18 September 2014

Chair

Date