

Meeting of the Board

Venue: Conference Room 1, South Tyneside College

Date: Wednesday 19 October 2016

Time: 4.00pm – 6.55pm

Present: David Byrne
George Clark
Terry Cornick
Peter Davidson
Malcolm Grady
Mark Overton
Alain Reynier
Andy Walton
Les Watson
Andrew Watts
Susan Wear
Nick Whalen-Griffiths
Lindsey Whiterod

Apologies for absence: Des Young

In Attendance: Neil Longstaff (Clerk)
Helen Beaton

ITEM NO.	ISSUES	ACTION
1.	<p>Apologies for absence</p> <p>The Board received and approved apologies for absence from those identified above after having first considered the reasons for their absence.</p> <p>As the Chair was to join the meeting at a later stage, Mr Byrne took the Chair.</p> <p style="text-align: center;">Mr D Byrne in the Chair</p>	
2.	<p>Declarations of interests</p> <p>The Chair reminded members to declare any conflicts of interest as they arose on the agenda.</p> <p>The members of the Board were reminded of the standing declarations in respect of roles held in the Academy Trust for the following governors:</p> <p>L Watson (LWa) - Director and Member L Whiterod (LW) - Director, Member and Chief Executive A Watts – Director and Member</p>	
3.	<p>Minutes and Matters Arising</p> <p>The minutes and confidential minutes of the meetings held on 6 July and 7 September 2016 were approved and signed by the Chair subject to an amendment to minutes</p>	

	<p>dated 6 July, P5, para 10.5: replace ‘had only two current College governors’ with ‘had only three current College governors’.</p> <p>Matters arising</p> <p><u>Area Review</u></p> <p>Confidential item</p>	
<p>4.</p>	<p>Chief Executive’s Report</p> <p>The paper provided the Board with a strategic update on the following issues:</p> <ul style="list-style-type: none"> • Area Review Update • TyneMet Merger Update • KPMG Project Manager Introduction and Project Plan • Due Diligence Update • Learner Recruitment 15-16 • Career College Finances and Update • Strategic Issues <p><u>Update on Learner Recruitment</u></p> <p>Confidential item.</p> <p><u>Area Reviews</u></p> <p>Confidential item</p> <p>Resolved: That the Board accept the report acknowledging the changing climate across the FE sector and the potential impact on the College’s core values.</p>	
<p>5.</p>	<p>Draft College Self-Assessment Report 2015-16</p> <p>This report provided information concerning the current position of the Self-Assessment Report (2015-16) outlining the overall effectiveness, the summary of grades awarded, improvements since the last inspection and key improvements since the last SAR.</p> <p>The full report would be brought to the Board for formal approval in December once all data was validated and the report itself was internally agreed by the Senior Executive Group, the Quality and Curriculum Committee and externally validated by an educational consultant.</p> <p>It was explained that the outcomes of this report would transfer into a College Quality Improvement Plan 2016-17, which the PVC staff would work to during the current academic year.</p> <p>The Professional and Vocational College (PVC) had judged itself with the following grades:</p> <ul style="list-style-type: none"> • Overall Effectiveness – Good (Grade 2) • Effectiveness of Leadership and management – Good 9 (Grade 2) • Quality of Teaching, Learning and Assessment – Good (Grade 2) • Personal development, behaviour and welfare – Outstanding (Grade 1) 	

	<ul style="list-style-type: none"> • Outcomes for Learners – Good (Grade 2) <p>Governors stated that they had been encouraged about what they had read and felt the document was a good early indicator.</p> <p>A report on the progress being made with the Quality Improvement Plan (QIP), which identified areas for improvement identified through the College Self-Assessment Report (SAR), was presented for information.</p> <p>The areas for improvement included:</p> <ul style="list-style-type: none"> • Achievement rates • Value Added • English and maths grades • Increase timely achievements for Apprenticeships • Increase apprenticeship growth and progression onto higher level of apprenticeship training. <p>Resolved:</p> <p>i. That the Board agree to receive the report acknowledging that a full report was to be presented at a later date.</p> <p>ii. That the Board agree the strategies which are being implemented to improve standards.</p> <p>iii. That governors agree the prime focus areas in the forthcoming academic year as being apprenticeships, improving Value Added and the English and maths achievements.</p>	
6.	<p>Academy Trust Update</p> <p>Confidential item.</p>	
7.	<p>HE Strategy 2016-19</p> <p>The Chief Executive introduced this report explaining that the medium term strategy for the Higher Education had been revised to take into account recent changes from the White Paper on Higher Education plus the proposed HE provision links with Tyne Metropolitan College.</p> <p>Governors were asked to approve the revised document.</p> <p>Responding to questions from governors, LW explained future accreditation arrangements. A governor suggested the College look towards seeking its own awarding powers.</p> <p>Resolved: That the HE Strategy 2016-19 is approved subject to ‘aspires learners’ being amended to ‘inspires learners’.</p>	GH
8.	<p>Student Union Report</p> <p>In the absence of the students, LW introduced the report from the Student Union (SU), which covered the following matters:</p> <ul style="list-style-type: none"> • Elections • Sales of NUS cards 	

	<ul style="list-style-type: none"> • FE Unplugged and Area Reviews • Events <p>Resolved: That the report is received and accepted.</p>	
9.	<p>Board Assurance</p> <p>The Clerk brought to the Board's attention an updated Board Assurance toolkit produced by RSM and sought governors' views as to whether they wished to introduce a Board Assurance Framework policy.</p> <p>A Board Assurance Framework (BAF) was explained to governors and an example of a BAF policy was provided for information.</p> <p>The Board was asked the question as to whether it already had sufficient controls, reviews and systems in place.</p> <p>Governors were of the view that the toolkit was good but as there was a considerable amount of work currently ongoing, it would not be appropriate to introduce a BAF at this time.</p> <p>A governor shared his experience of a similar framework in a different setting which had been judged to be too unwieldy. It was felt that a RAG rated system using the risk register was a more appropriate method to monitor priorities.</p> <p>HB reported that an audit on risk management process was due and this should provide recommendations to work towards. HB highlighted the assurance dashboard as a tool which the Board might want to adopt.</p> <p>Resolved:</p> <p>i. That the Board agree to receive the report and further consideration be given a later date.</p> <p>ii. That governors contributions on aspects of the toolkit be sought as part of a Governor Development Event.</p>	HB/NL
10.	<p>Management Accounts to 31 July 2016</p> <p>HB introduced this comprehensive report and advised that as at the end of July 2016, the College had made a £160k operating loss, which was £440k below target and £1,508k below the 2014-15 position.</p> <p>Total income was £2,834k below budget due to low 16-18 Apprentices, Adult Apprentices and other tuition income. These results however, did not include some apprenticeship achievement income, which was still being calculated. Any additional achievement income would be incorporated into the statutory accounts as a post-audit adjustment.</p> <p>Payroll costs were £1,075K below target and £363k below 2014-15 costs. This was primarily due to low lecturer and classroom support costs.</p> <p>Non-pay expenditure was £1,361k below target and £2,384k below 2014-15. This was largely due to low marine accommodation, Professional & Vocational, partnership and</p>	

	<p>estates costs.</p> <p>Compliance with the new reporting framework had a number of implications for the year end out turn and these were detailed within the report. The impact of these adjustments had worsened the overall college results by £477k. The operating surplus without these FRS102 adjustments would have been £318k, which would have been £37k better than budget.</p> <p>The College's financial health under both the old and the new methodology was classified as "Good" at the end of the academic year.</p> <p>It was noted that Marine contributions had been better than what had been budgeted.</p> <p>HB highlighted the key ratios within the report.</p> <p>The Board took an opportunity to thank HB and her team for their management of the budget during a difficult year.</p> <p>Resolved: That the Management Accounts are approved.</p>	
<p>11.</p>	<p>Estates update</p> <p>This paper was intended to give the Board an update on strategic estates matters, works progress, ongoing maintenance, property issues and progress against the premises strategy. A version of this report has been to the Finance and Resources Committee. This report covered the following:</p> <ul style="list-style-type: none"> • LEP funded project, giving an update on project completion handover and defects liability. • British Gas works update on project completion and defects liability • Other major estates works in the year • Capital plans for 2016/17 <p>Governors asked HB to convey their thanks to the estates team for their hard work particularly Eddie Beckett.</p> <p>Q. Survey for Jetty excessive? It was explained that the Jetty required a structural survey to identify what, if any, structural deterioration existed and that it had been difficult to find companies that could undertake such work.</p> <p>Resolved: That the report is received and accepted.</p>	<p>HB</p>
<p>12.</p>	<p>Internal Audit Strategy 2016-19</p> <p>This strategic and annual internal audit plan set out the scope of the planned work to be undertaken by internal audit for 2016-17 within a wider 3 year strategy.</p> <p>This plan was developed based on consideration of the College's corporate objectives, risk profile and assurance framework as well as other factors affecting South Tyneside College in the year ahead including changes within the sector.</p> <p>It was noted that this report had been presented to the Audit, Governance and Search Committee but was good practice to present to the full Board for comment and sign off.</p>	

	<p>Members views were sought highlighting that they were able to replace planned audits as and when required.</p> <p>Resolved: That the Internal Audit Strategy 2016-19 is approved.</p>	
13.	<p>Minutes of Committees since the last Board meeting</p> <p>The minutes of the meetings of the following committees were received by the Board:</p> <ul style="list-style-type: none"> (i) Career College North East – 20 September 2016 (ii) Finance and Resources – 28 September 2016 (iii) Merger Committee - 12 September 2016 <p>The Clerk asked the Board to consider and reaffirm the terms of reference for the Career College North East (annex to minutes)</p> <p>The Chair of the F&R Committee highlighted a concern expressed by governors over the Local Children’s Safeguarding Board as it appeared as though the Borough’s safeguarding was specified only in relation to school aged children. This was being followed up by the Director of HR. Governors were reminded of the need for the Board to be mindful of the increases in reported safeguarding cases, type and reasons given.</p> <p>Resolved:</p> <ul style="list-style-type: none"> i. That the minutes, as mentioned above, are received. ii. That the terms of reference for the Career College North East is approved as presented. 	<p>CD</p> <p>NL</p>
14.	<p>‘Beyond the Boardroom’ activities</p> <p>The Chair commented that during a discussion at a recent induction session for governors, the issue of contributions outside meetings of the Board was debated.</p> <p>The Chair gave examples of how governors could support the College drawing upon their vast knowledge and experience gained through their working life e.g. hosting students at their place of business, giving talks to students at the College, roll out of Link Governors etc.</p> <p>The Chair asked that governors consider this approach and contact the Clerk should they have any ideas to take forward.</p> <p>Resolved: That the information is noted.</p>	ALL
15.	<p>Presentation to Governor</p> <p>The Chair made a presentation to Les Watson on behalf of the Board of governors to recognise his contribution as a member of the College Board since 2008, particularly during his time as Chair of the Board.</p> <p>LW thanked the Board for their comments and gift, and wished the College and Board well for the future.</p>	
16.	<p>Any other business</p> <p>None.</p>	

17.	<p>Identification of confidential items</p> <p>Resolved: That the following matters are to remain confidential:</p> <ul style="list-style-type: none"> • Item 3 - Matters arising (Area Review) • Item 4 - Chief Executive’s Report re Area Reviews • Item 6 - Academy Trust Update • Item 19 - Performance Appraisal Cycle for Senior Post Holders and Clerk • Item 20 - Merger (Constitution of the Executive team) 	
18.	<p>Date and Time of Next Meeting</p> <p>Members were reminded that the next meeting of the Board was scheduled for Wednesday 14 December 2016 at 4.00pm which was to be followed by the Christmas dinner at 6.30pm. HB sought clarification on the timing for the meeting as feedback and a decision on the due diligence would be required at the meeting.</p> <p>Resolved: That the Board meeting shall commence at 3.30pm and ‘normal’ College business is to be concluded by 5.00pm. Matters concerning due diligence will be discussed from 5.00pm until 6.00pm.</p>	
19.	<p>Performance Appraisal Cycle for Senior Post Holders and Clerk</p> <p>Confidential item</p> <p>AR and HB left the meeting taking no part in discussion or voting on this matter.</p>	
20.	<p>Confidential Item – Merger - Constitution of the Executive team</p> <p>Confidential item</p> <p>LW left the meeting taking no part in discussion or voting on this matter.</p>	

Chair:

Date: