

2.1	<i>This matter is considered to be confidential at this stage and therefore the discussion is recorded in a confidential restricted annex at the end of this document marked Annex 1</i>	
3	<p>Training related to scrutiny of last year's financial accounts so the members might better understand the funding regime and the pattern of spend required for a thriving and successful college.</p> <p>3.1 Training was delivered by Interim Director of Finance David Reeve, relating to the Corporation's responsibilities in respect of the financial accounts. He took Governors through the 2017-18 Financial Statements, highlighting a number of points and flagging what he would have expected them to challenge back on, or interrogate him or the Executive about. There were no hand-outs or slides to accompany the training.</p> <p>3.2 Material uncertainty in relation to going concern was explained to the meeting. The auditors will not be satisfied that the college can service its debt until the proposed funding is agreed. The accounts cannot be signed off until funding is agreed.</p> <p>3.3 Governors were advised to read the Auditors Report.</p> <p>3.4 The Members report sets out the purpose of the College and can be used as a PR message. The current report includes the minimal information given the circumstance of the college.</p> <p>3.5 Key Performance Indicators are included in the Members Report. Governors should use the Key Performance Indicators as a basis for challenge.</p> <p>3.6 ACTION: The Corporation should review the College Key Performance Indicators and ensure that reporting is timely, relevant and accurate.</p> <p>3.7 It was noted that many of required Key Performance Indicators may be included in the covenants from the ESFA and the Bank.</p> <p>3.8 The CEO noted that College plans should be achievable but include an element of challenge.</p> <p>3.9 David Reeve explained the Deficit before other gains and losses and share of surplus in joint ventures of £9,445k shown in the financial accounts. This varies from the forecast due to changes in the bad debt provision and pension payments. It was noted that this change was not challenged by governors.</p> <p>3.10 Income has fallen by £3m compared to the previous year. Funding is mostly from funding body grants and tuition fees and education contracts. Other income is not material.</p> <p>3.11 Staff costs at £33.5m are a significant proportion of total costs. Staff costs have increased compared to the previous year. The current level of staff costs is not sustainable and plans should be put in place to reduce staff costs.</p> <p>3.12 The current deficit position is not sustainable due to staff costs, funding costs and debt structure.</p>	Chair

<p>5</p> <p>5.1</p> <p>5.2</p> <p>5.3</p>	<p>Corporation Self-Assessment</p> <p>A Self-Assessment questionnaire had been circulated before the meeting.</p> <p>Joanna Green led the discussion to complete scores and comments for each of the questions in the Board Evaluation document. The document was updated on screen during the discussion.</p> <p>ACTION: A report summarising the key areas of concern will be produced in time for the Search Committee meeting to take place during week commencing 14 January 2019, following which the Search Committee will report back to the Corporation.</p> <p><i>L 18.30 Ann Kendal</i></p>	<p>JG</p>
<p>6</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.4</p>	<p>Collective Disputes Outcome hearing letter.</p> <p>The Collective Disputes Outcome hearing letter had been circulated to attendees before the meeting.</p> <p>The Chair updated the meeting on the contents of the letter. Ann Kendal (Independent Governor) had chaired the meeting, which was held on 18 December 2018. Cath Orange (independent Governor) and Steve Roberts (independent Governor) also attended the meeting with UDC representatives.</p> <p>The letter summarises the outcomes and conclusions. In conclusion, the panel upheld the original management responses on each of the four specific areas of the original complaint.</p> <p>It was also noted that there should be an improvement in communication, consultation and transparency relating to both policy and procedure. Improvements have been evidenced in the new year.</p>	
<p>Matters for Information</p>		
<p>7</p> <p>7.1</p> <p>7.2</p>	<p>Dates of Next Meetings:</p> <ul style="list-style-type: none"> • 7th February 2019 • 14th April 2019 <p>Action: A meeting of the Committee established under Item 2 above will be arranged for week commencing 14 January 2019.</p>	<p>Clerk</p>
<p>Any Other Business</p>		
<p>8</p> <p>8.1</p> <p>8.2</p> <p>8.3</p>	<p>Appointments</p> <p>RESOLVED: That Dave Mann be appointed as Audit Committee Vice Chair.</p> <p>RESOLVED: That the appointment of June Durrant to the Remuneration Committee in January 2018 be and is confirmed, it being noted that the contemporaneous record of her appointment cannot be found.</p> <p>Action: The process to appoint the Corporation Vice Chair will start in the week commencing 14 January 2019.</p> <p><i>The Chair closed the meeting at 7.25pm</i></p>	<p>JG</p>

Agreed Actions

No	Minute	Action	Who?
1	2.7	Development of a single performance report covering all requirements and covenants	CEO
2	2.9	The first meeting of the Committee established under Item 2 of these minutes should be arranged for week commencing 14 January 2019.	Chair
3	3.6	The Corporation should review the College Key Performance Indicators and ensure that reporting is timely, relevant and accurate.	Chair
4	5.3	A report summarising the key areas of concern will be produced in time for the Search Committee meeting to take place during week commencing 14 January 2019, following which the Search Committee will report back to the Corporation.	JG
5	8.3	The process to appoint the Corporation Vice Chair will start in the week commencing 14 January 2019.	JG