

Draft minutes prepared from contemporaneous notes approved by the Chair via email on 7 August 2019

**MINUTES OF THE MEETING OF THE CORPORATION MEETING
HELD: Thursday 18 July 2019 at 1600 hours
In the Boardroom, David Hockney Building**

Present:	In Attendance
Cath Orange (Chair)	Sarah Cooper (Director of People Services)
Geoff Alvy	Dawn Leak (Vice-Principal Development & Growth)
Paul Ashton	Chris Malish (Director of Finance & Corporate Services)
Paul Birtles	Craig Tupling (Deputy Chief Executive Officer)
June Durrant	Sharon West (Interim Clerk to the Corporation)
Salsabil Elmegri	Jo Wright (Turnaround Director)
Ann Kendal	
Debbie Rolls	Elizabeth Kilner, Minute Taker
Piers Telemacque	
Matt Peel	Observer:
Neil Ward	Clive Howarth (ESFA)
Chris Webb (CEO)	
Apologies:	
Billy Khokhar	
Steve Roberts	

The quorum was seven Governors

L/J Denotes the time a Governor left/joined the meeting. Where the individual is not named in the minutes, a record is held separately and is available on request.

Item		Action
1	Chair's Welcome and Introductions	
1.1	The Clerk advised that the meeting was quorate and the Chair opened the meeting.	
1.2	The Chair welcomed everyone to the meeting and invited them to introduce themselves.	
2	Apologies for Absence and Disclosures of Interest	
2.1	Apologies were received from Billy Khokhar and Steve Roberts.	
2.2	The Corporation was advised that Sajjad Khan and Rob Holden had	

	resigned as Governors. The Chair had corresponded with Mr Khan to thank him for his contribution to the work of the Corporation and would also write to Mr Holden.	
2.3	The Interim Clerk reported on action being taken to recruit new Independent Governors. A nomination had been received from City of Bradford Council which would go through the usual Search Committee process. Council nominees had also been forward to join the Audit and Quality & Standards Committees.	
2.4	RESOLVED: That Cllr Fozia Shaheen be co-opted as a member of the Audit Committee and Cllr Naveed Riaz be co-opted as a member of the Quality & Standards Committee.	
2.5	The Chief Executive Officer (CEO) declared an interest in agenda item 12.4 in relation to the University and College Union dispute; the Chair reminded Governors of the need to declare conflicts as they arose.	
3.1	Minutes of the Previous Meeting of 20 June 2019 RESOLVED: The Minutes of the meeting held on 20 June 2019 were approved as an accurate record and signed by the Chair.	
4.1	Matters Arising	
4.2	The Matters Arising report was reviewed. The information in the 'Action Taken' column was noted. Governors discussed the item below. <u>Item 20 – Development of a single performance report</u> Under Item Heading 'Resolution' to be replaced by 'Restructuring'	
4.3	RESOLVED: That the revisions to the Scheme of Delegation be approved.	
4.4	ACTION: Interim Clerk in conjunction with the Executive to ensure that any outstanding points in the Matters Arising Report are resolved and reported to the next meeting.	Clerk/Exec
5	Chief Executive Officer's Report	
5.1	The Chief Executive Officer's (CEO) Report had been circulated before the meeting.	
5.2	The CEO highlighted five key items of business that should be given particular attention and scrutiny by Governors, namely: <ul style="list-style-type: none"> • Strategic Plan (Agenda item 8) • Key Performance Measures (Agenda item 9) • Budget, Financial Plan and Financial Strategy (Agenda item 12.2) 	

	<ul style="list-style-type: none"> • Capital Development Strategy (Agenda item 12.3) • Student Union/Budget (Agenda item 13) 	
Safeguarding		
6	Safeguarding Update	
6.1	<p>The DCEO presented the safeguarding report which had been circulated in advance of the meeting. He drew Governors' attention to the following areas:</p> <ul style="list-style-type: none"> • The safeguarding team would now form part of the Student Services Department. • Bradford LA Children Services schools audit had been completed and the College had hosted a local Safeguarding Board meeting. • The student handbook 2019-20 had been amended to include key information in relation to safeguarding and wellbeing. • Since the last Corporation meeting there had been very few reported safeguarding cases and an insignificant change to the data presented. 	
6.2	A full Safeguarding Annual Report for 2018-19 and a revised Safeguarding Policy 2019-20 would be presented to the Corporation in the Autumn Term.	
6.3	<p>Q. Would there be a qualified social worker working as part of the safeguarding team after the restructure?</p> <p>A. The DCEO explained that this was not a requirement nor a necessity. There would be a lead practitioner in charge of welfare and safeguarding officers.</p> <p>Q. UCU had raised a concern about a change in reporting lines, was this an issue?</p> <p>A. The DCEO explained that the structure being adopted was usual in the Further Education sector. The Student Services Manager escalates to the DCEO and Assistant Principal.</p>	
6.4	The Corporation was advised that Ann Kendal had volunteered to take on the role of link Governor for Safeguarding.	
6.5	RESOLVED: That Ann Kendal be appointed as link Governor for Safeguarding.	
6.6	ACTION: Link Governor for Safeguarding to meet with the DCEO to discuss Safeguarding.	AK/DCEO
SR11: Failure to ensure that the College has robust safeguarding arrangements in place.		

Fresh Start

<p>7</p> <p>7.1</p> <p>7.2</p> <p>7.3</p>	<p>Strategic Recovery Update</p> <p>The Turnaround Director gave a presentation to Governors on the turnaround journey so far. She highlighted the turbulent landscape the sector was operating in and drew Governors' attention to immediate short-term focus points and short to medium term and beyond focus points.</p> <p>Q. What was the Turnaround Director's role in the College? A. The Turnaround Director's role was to support the Executive and to provide an additional level of assurance to Governors. The Turnaround Director provided an independent voice and could be used by Governors in the scrutiny of the process, the Executive and the Corporation itself. The Turnaround Director brought experience of other Restructuring Facility (RF) processes and relationships with bankers. She provided a fresh pair of eyes and ears and a different perspective and was able to act as the interface in stakeholder engagement.</p> <p>Q. What was the reporting line of the Turnaround Director? A. There was a direct line of communication with Governors and the Executive, and a regular dialogue with all key stakeholders in the RF process.</p> <p>Q. How did 'Refresh Organisation' link with 'Restructure Fatigue'? A. The refreshing the organisation element was about being always prepared for things whereas restructure fatigue arose from continuous change.</p> <p>Q. What would happen if a college were to become insolvent? A. In such circumstances, it was likely that there would be a transfer of provision to other providers.</p> <p>The Chair thanked the Turnaround Director for her presentation.</p>	
<p>8</p> <p>8.1</p> <p>8.2</p> <p>8.3</p>	<p>Strategic Plan and Key Performance Measures 2019-20</p> <p>The CEO presented the draft Strategic Plan 2020-24 and Key Performance Indicators (KPIs) for 2019-20 which had been circulated in advance of the meeting. He explained that the proposals were for Governors to consider in setting the strategic direction and educational character of the College.</p> <p>The draft strategic plan was based upon the vision, purpose and values of the College. Five key themes were supported by underlying priorities.</p> <p>Governors were invited to feed back views and comments as the strategic plan would continue to develop and would come back to future meetings. It would form the majority of the business for the Strategic Seminar in</p>	

	<ul style="list-style-type: none"> - HE outcomes were disappointing being 6% below the benchmark. Further analysis of data would be undertaken. There was an expectation that the changes that had been made would lead to an improvement in ratings. - FE outcomes had reduced by 2%. There had been some more encouraging data from FE choices with the College ranked 54 out of 184 and in second place in West Yorkshire. This data would be included in College marketing and recruitment messages. • Updates relating to the Academic Board would be presented to the Committee in the Autumn Term. <p>9.2 Governors continued to challenge the pace of change, recognising that there was still a lot of work to be done.</p> <p>9.3 Q. What benefits were there to moving to a cloud based system? A. The move would mean that the College had a single system which would enable easier scrutiny, and MIS could feed in data automatically. Accountability would drive forward improvement.</p> <p>9.4 Governors accepted that the impact of the Quality Improvement Plan (QIP) would be key. An holistic QIP was part of the RF action plan.</p> <p>9.5 <u>Data Dashboard</u></p> <p>The DCEO updated the meeting on the Data Dashboard which had been scrutinised in detail by the Quality and Standards Committee.</p> <ul style="list-style-type: none"> • Governors challenged the attendance data, expressing concern that attendance levels were still too low and therefore remained a key area of focus for improvement. • Governors were pleased that retention levels had improved. • Governors had set the Executive a challenge to move the College from a Teaching Excellence and Student Outcomes Framework (TEF) rating of bronze to silver. 	
<p>10</p> <p>10.1</p> <p>10.2</p>	<p>Student Voice</p> <p>The Student Governors presented the Student Voice Report which had been circulated in advance of the meeting.</p> <p>Q. What was the officer team training? A. This was an NUS training programme to better understand how Student Union officers could serve their members.</p> <p>Q. Do the Student Union have a new President? A. Yes an A Level student, Samantha Moorfield, had been elected as President of the Students' Union.</p>	

SR4: Failure to ensure achievement rates and value added increase and are above national averages impacting the College's ability to improve on poor inspection grades and quality assessment outcomes.

SR5: Failure to ensure the curriculum is relevant and innovative to meet the needs of learners and employers and to address equality gaps.

SR7: Failure to improve the quality of teaching, learning and assessment.

Finance and Resources

11

Finance and General Purposes Committee Report

11.1

The Vice-Chair of the Finance and General Purposes Committee reported on the business conducted at the meeting on 4 July 2019.

- Period 10 Management accounts were reviewed in detail.
- The Strategic Recovery - Implementation Dashboard was reviewed with a focus on Red and Amber actions.
- Members had challenged and interrogated the 3 Year Financial Plan and Capital Plan, with a particular focus on growth assumptions. They were clear that achieving student numbers would be crucial. The 3 Year Plan was recommended to the Corporation for approval.
- Revised Financial Regulations were reviewed. Revised Financial Regulations were recommended to the Corporation for approval.
- The FE Fees Policy 2019-20 and Tuition Fee Policy Higher Education Academic Year 2019-20 were reviewed and recommended to the Corporation for approval.
- Amendments to the Business Expenses, Travel and Subsistence Policy had been approved
- An update on the College Re-organisation and Trade Union Disputes had been provided to the Committee.
- Strategic Risks were reviewed.
- The Committee's terms of reference had been reviewed and were recommended to the Corporation for approval.

11.2

Q. In terms of reporting, what progress had been made on unifying reports?

A. The first submission had been made to the Education & Skills Funding Agency (ESFA). A summarised version of this report would be presented to Governors. The College was on a learning curve as the model was complex. Governors acknowledged that quarter 4 would be a big one and that scrutiny of the data and underlying information was vital in order to provide them with assurance.

Q. What was the view of the Turnaround Director on reporting to the ESFA?

A. Targets for reporting had been met and feedback from the ESFA was being responded to. There were no significant issues in the questions and queries that had been received to date.

11.3	RESOLVED: That the revised Financial Regulations be approved and adopted.	
11.4	RESOLVED: That the Further Education Fees Policy 2019-20 and the Tuition Fee Policy Higher Education Academic Year 2019-20 be agreed and adopted.	
11.5	RESOLVED: That the Finance and General Purposes Committee Terms of Reference be approved and adopted.	
11.6	<p><u>Management Accounts</u></p> <p>The Management Accounts covering the 10 months to 31 May 2019 had been circulated before the meeting.</p> <ul style="list-style-type: none"> • Income was higher than budget to 31 May due to the RF funding received. This was partially offset by lower apprenticeship recruitment and shortfalls in Local Authority ALS income. HE income had increased. • Pay costs were lower than budget as vacancies in the original plan had not been filled during the restructuring process. • Non pay costs were underspent due to subcontracting. • EBITDA was expected to be in line with budget and loan covenants at the end of the year. • The cash position of the College was healthy. 	
11.7	<p><u>Budget, Financial Plan and Financial Strategy</u></p> <p>The 3 Year Financial Plan had been circulated before the meeting.</p> <ul style="list-style-type: none"> • The plans assumed an increase in student numbers as a result of better retention over the 42-day period. • There was assumed growth in Apprenticeship numbers through levy funded providers. • College targets are for 3850 students but the plan is based on 3419. Resources are in place for the target of 3850 but cost reductions will be sought from Heads of Department if targets are not achieved. • There was some discussion with the bank in relation to the covenant measure of Debt as % of Income. • The plan assumed building sales of £2m with repayment in 2021. Current indications were that this would be achievable. • The financial plan assumed an annual deficit until 2021-22 when financial health should return to good. The plan was in line with bank and ESFA expectations. • Staff costs assumed salary increments but no pay increase across the board. Costs of increased teacher pension contributions are 	

assumed. It is assumed that the Government will continue to fund TPS pension contributions.

- The key risks in the plan were student retention in the 42-day period, growth in Apprenticeship income and ability to control costs. Of these, Apprenticeship income growth was the key risk but it was mitigated by the ability to reduce costs.

11.8

Q. How achievable was the proposed growth in apprenticeship income?

A. Growth was from levy companies which were uncapped. Work was being done by the Business Development team with national providers over a wider area.

Q. Are the new levy companies signed up yet?

A. Some were, but not all at this stage.

Q. Could the College be an employer of choice given the number of years that staff had not received a pay rise?

A. The use of RF funds was restricted and could not be used to fund pay rises. The 'employer of choice' criteria would be wider than just pay and the College had to avoid giving pay rises that it could not afford. The Executive had been asked to look at what other benefits it could offer as there was no money available.

Q. Will it be possible to have pay rises in the future?

A. A future pay rise would be contingent on a rise in the base rate of funding, which was reliant on the Government and the comprehensive spending review. Alternatively, there was an increasing demographic and the College would need to realise student number growth and achieve financial stability over the next 3 to 4 years.

Q. Does the College have a problem with recruiting and retaining teaching staff?

A. Staff turnover at the College was below the national average, but there was competition from sixth forms, Universities and the private sector.

11.9

RESOLVED: That the 3 Year Financial Plan be approved.

L 6.20pm C Webb and D Leak

11.10

Capital Development Strategy

The Strategy for 2019-20 assumed a capital spend of £1m of which 30% would be allocated for estates and 70% IT.

11.11

RESOLVED: That the Capital Spending Plan 2019-20 be approved.

11.12

College Re-organisation and Trade Union Disputes

The DPS updated the meeting.

<p>11.13</p>	<ul style="list-style-type: none"> • The collective consultation was concluded on 11 July 2019. • In total there were 88 voluntary redundancies, 28 reduction of hours, 4 resignations and 18 (17.5 roles) compulsory redundancies. • The total annual cost saving would be circa £700,000. <p>Q. How many compulsory redundancies were for teaching roles and of these how many were UCU members? A. 10 teaching roles were affected, it was not known if any were members of UCU.</p> <p>Q. When would the process be completed? A. On 31 July 2019.</p>	
<p>11.14</p>	<p>Governors thanked the Executive for their efforts in what had been a very sensitive and difficult time. They asked for an update on the final position to be circulated at the end of the period.</p>	
<p>11.15</p>	<p>ACTION: DPS to circulate an update on the final redundancy position as at 31 July 2019 to Governors.</p>	<p>DPS</p>
<p>12</p> <p>12.1</p> <p>12.2</p> <p>12.3</p> <p>12.4</p>	<p>Student Union/Budget 2019-20</p> <p>The DCEO had met with Students' Union Officers and the General Manager following the last meeting to discuss business planning. As a result the Student's Union had prepared a budget submission which had been circulated to Governors in advance of the meeting.</p> <p>The Board of Trustees of the Students Union proposed two budget options:</p> <ul style="list-style-type: none"> - Option 1 - Total cost £182,652; included Independent Advice Service and additional room space to facilitate independent advice. - Option 2 - Total Cost £115,185; excluded Independent Advice Service and additional space. <p>Q. Which was the Students' Union preferred option? A. Option 1 which retained the additional space and the Independent Advice Service. Activities and the advice service were used by students and had a positive impact on the student experience.</p> <p>Governors agreed that an Independent Student Advice service was essential and they valued its impartiality, it did however have to provide value for money. The Chair had received a letter, dated 4 July 2019, from the Board of Trustees and had offered to meet with them. They had yet to come back with a possible date to meet.</p>	

12.5	<p>RESOLVED: That the Option 2 budget of £115,185 be approved as a minimum, with additional funding up to a maximum of £182,652 dependent upon the outcome of discussions with the Students' Union Board of Trustees, agreement of KPIs and demonstration of service value for money.</p>	
12.6	<p>ACTION: The Corporation Chair and DCEO to meet with the Students' Union Board of Trustees to discuss the two options and value for money considerations and agree the Students' Union Budget up to a maximum of £182,652.</p>	Chair/DCEO
<p>SR1: Inability to maintain financial stability by (1) failure to generate operating surpluses, control costs and manage cash flow, (2) failing to deliver income and ensure cost base is aligned with income, (3) failure to have appropriate data governance procedures in place to provide relevant management information to avoid financial penalty. SR3: Failure to manage the estate effectively. SR10: Failure to prepare for and respond to critical incidents.</p>		
<p>Effective Governance</p>		
13	<p>Reports from Corporation Committees</p>	
13.1	<p>(a) <u>Audit: 27 June 2019</u></p> <p>The Chair of the Audit Committee summarised the business conducted at the meeting.</p> <ul style="list-style-type: none"> • The Chair noted that the Committee was very low on members and asked that new members be appointed to the Committee. • The Internal Audit Strategy was presented for review and recommended to the Corporation for approval. • The External Audit Strategy was presented for review and recommended to the Corporation for approval. 	
13.2	<p>RESOLVED: That the Internal Audit Strategy be approved by the Corporation.</p>	
13.3	<p>RESOLVED: That the External Audit Strategy be approved by the Corporation.</p>	
13.4	<p>(b) <u>Remuneration: 17 July 2019</u></p> <p>The Chair of the Remuneration Committee summarised the business conducted at the meeting.</p> <ul style="list-style-type: none"> • The Committee had reviewed the UCU petition, did not uphold the requests made and agreed that the Chair of the Corporation and Chair of Remuneration Committee would write to the UCU Branch Chair on behalf of the Committee setting out its position. 	

13.5	<ul style="list-style-type: none"> Adoption of the Association of Colleges' Senior Post Holder Remuneration Code was recommended to the Corporation. <p>RESOLVED: That the adoption of the Association of Colleges' Senior Post Holder Remuneration Code be approved.</p>	
13.6	<p>(c) <u>SPH and Clerk Appointments Committee 17 July 2019</u></p> <p>The Chair of the SPH and Clerk Appointments Committee summarised the business conducted at the meeting.</p> <ul style="list-style-type: none"> The recruitment process for a permanent Clerk to the Corporation would commence in September 2019. The process would be supported by the DPS. 	
14	Reports from Subsidiaries/Committees	
14.1	Governors received and noted Minutes of the meetings of the Joint Consultative Committee and the Health, Safety and Welfare Committee.	
SR2: Ineffective Governance, non-compliance with statutory and common law requirements and oversight of the Executive/Senior Post Holders in terms of appointing senior leaders with relevant skills and experience to be able to deliver clear strategy and strong leadership.		
Matters to Note		
15	Meeting and Business Schedule/Corporate Calendar	
15.1	The Meeting and Business Schedule had been circulated before the meeting.	
15.2	RESOLVED: That the Meeting and Business Schedule for 2019-20 be approved.	
16	Meeting Evaluation	
16.1	Evaluation forms were distributed.	
17	Any Other Business	
17.1	There were no items of other business.	
17.2	Governors recorded their thanks to Matt Peel for his contribution to the work of the Corporation during his time as a Student Governor.	
17.3	The Chair closed the meeting at 7.00pm	

Approved by the Corporation:

C. Orange
Signed by the Chair

24/10/19
Date

Agreed Actions

No	Minute	Action	Who?
1	4.4	Interim Clerk in conjunction with the Executive to ensure that any outstanding points in the Matters Arising Report are resolved and reported to the next meeting.	Clerk/Exec
2	6.3	Link Governor for Safeguarding to meet with the DCEO to discuss Safeguarding.	AK/DCEO
3	8.4	Governors to discuss and provide feedback to the CEO on the current draft of the Strategic Plan 2020-24.	Governors
4	8.8	Draft Strategic Plan and KPIs to be reviewed by Corporation Committees in the Autumn Term and brought back to the next Corporation meeting.	Committees/Clerk/CEO
5	11.15	DPS to circulate an update on the final redundancy position as at 31 July 2019 to Governors.	
6	12.6	The Corporation Chair and DCEO to meet with the Students' Union Board of Trustees to discuss the two options and value for money considerations and agree the Students' Union Budget up to a maximum of £182,652.	Chair / DCEO