

**MINUTES OF THE CORPORATION MEETING****HELD ON WEDNESDAY 23 JULY 2014**

<b>Present:</b>	T Branson	Governor
	S Cooper	Governor
	S Hillyard	Governor
	P Hilton	Governor
	A Mochan	Governor
	R Morris (Chair)	Governor
	A Rajguru	Governor
	G Schofield	Governor
	R Smart	Governor

The quorum for the meeting was six Members.

<b>In attendance:</b>	J Bexson	Deputy Principal
	S Rankine	Director of Finance & Corporate Affairs
	G Brough	Director of Estates (part)
	J Hutt	Director of Human Resources (part)
	R Hill	Clerk to the Corporation
	S Lewis	Director of Marketing (part)
	J Margrave	Principal's Secretary
	S Markham	Fusion

The meeting was held in the Boardroom and started at 6.15 pm.

**1. Apologies**

1.1 Apologies were received from Pat Brennan-Barrett.

**2. Declarations of Interest**

2.1 The Chair reminded Members to declare their interests as and when necessary on the agenda.

**3. Minutes of the Corporation Meeting held on 23 June 2014 and any matters arising**

3.1 The minutes were agreed as a true and correct record and were duly signed by the Chair.

3.2 There were no matters arising.

3.3 Members noted the action points arising from the minutes.

**4. Determination of Any Other Business**

4.1 The Media Buying and Design tenders had been circulated prior to the meeting.

**RESOLVED [C 53/14]**

**The Corporation resolved,**

- (a) following due tender process, to approve the appointment of Triad from 1 August 2014 for marketing design activities;**
- (b) to endorse the proposed tender process and timetable for media buying, including delegated authority to the Chair of the Corporation for final approval.**

4.2 Details of a proposed Health and Social Care student visit to Barcelona in June 2015 were provided for Members.

**RESOLVED [C 54/14]**

**The Corporation resolved to approve the proposed visit to Barcelona 15 – 18 June 2015 and noted that the educational rationale is included as part of the risk assessment.**

*(Susan Lewis left the meeting at 6.25pm)*

**5. Strategic Objectives Monitoring Report 2013/14**

5.1 The Deputy Principal explained that this document had not changed since presented to the Corporation on 24 June 2014:-

- Re Item 1.4 (regarding projected volume of learners), the Deputy Principal reported that changes to assessment testing for the BTEC qualifications could make forward projections harder but it is not believed that the impact for 2013/14 will be significant. However, the issue of changes to assessment practice is one that many colleges are considering and the AoC is considering its position on behalf of colleges.
- Re Item 2.3 (regarding student data reports) the Director of Finance and Corporate Affairs reported that following the consultant assistance, a schedule of key reports will be available from September 2014 enabling College teaching staff to be able to access student data in more accessible and productive ways.

5.2 The Deputy Principal updated Members regarding the appointment of the new Assistant Principal (Business Development) and confirmed that an offer had been made. As Members were concerned about the reality of an effective start date the Deputy Principal explained that effective interim leadership support is in place in this area.

**RESOLVED [C 55/14]**

**The Corporation resolved to note the Strategic Objectives Monitoring Report and the Deputy Principal's commentary.**

**6. Strategy for Daventry**

6.1 Stuart Markham (Fusion) presented an update of the options that had been previously presented to the Task and Finish Group (Daventry) 15 July 2014. There are two main items for deliberation:

- The disposal of the Badby Road site
- Building of the new college facility

6.2 Agreement had been reached that these two areas will run as separate elements and there will be a need to understand the SEMLEP conditions of grant and timings of payments. It was emphasised that the College will need to ensure the positive engagement of its stakeholders, DDC, SEMLEP and the UTC.

6.3 The deadline for the opening of the new college facility is September 2016. The College needs to engage a design team and a main contractor as a matter of urgency. A public relations strategy also needs to be agreed.

6.4 A Member requested clarification regarding Page 9, item 3.2 (clarified on Page 32, item 11.2) and agreement was reached that the final sentence of the first paragraph of item 3.2 with reference to Moulton College will be deleted to reduce any pre-conditions.

- 6.5 The Chair congratulated everyone who had been involved in the project so far. The Chair asked Members to consider giving delegated authority regarding the progress of the Daventry project to the Chair of the Corporation, the Vice Chairs of the Corporation and the Principal until the next Corporation meeting in September 2014 in order that decisions could be taken should the need arise.
- 6.6 Members raised the following points
- A revised business/education plan to be produced to include three year financial projections along with the relevant risk assessments. The Deputy Principal indicated that this plan should be available within 6-8 weeks but will be subject to change.
  - Stuart Markham informed that the figure defined in the bid for the brownfield site is £3.6m. However he will be looking at the SEMLEP conditions of funding in order to fully understand the financial implications of the funding support.
  - Some uncertainty about the proposed development by Northampton College has been reported in Daventry.

**RESOLVED [C 56/14]**

***The Corporation resolved to support the recommendations from the Task and Finish Group (Daventry) i.e.***

- (a) To appoint a project management team;***
- (b) To use the OJEU process for the identification of a contractor***
- (c) To appoint architects using the framework of approved suppliers***
- (d) To develop a communications strategy for the project***

***....in the context of efforts to maximise the sale value of the current site at Daventry and to use the working title of 'Northampton College – Daventry Campus' for the project***

***And***

- (e) To delegate authority for the progress of the project to the Chair of the Corporation, Vice Chairs of the Corporation and the Principal until the next Corporation meeting***
- (f) To approve the final version of the terms of reference for the Task and Finish Group (Daventry) and to thank the Group for completing its work.***

*(Stuart Markham left the meeting at 6.50 pm)*

**7. Management Accounts for the 11 Months to 30 June 2014**

- 7.1 The Director of Finance and Corporate Affairs presented the written report that showed that there had been no significant change since the Corporation meeting (24 June 2014) and highlighted the following points
- Forecast year end operating surplus of £528k (2.0%).
  - Year end operating income forecast to be £26m, £644k (3%) higher than budget.
  - Year end pay costs forecast to be £371k (2%) less than budget. Pay costs (excluding restructure costs) are forecast to be 62% of operating income.
  - Year end non-pay costs forecast to be £566k (5%) higher than budget.
  - Current cash balances are £5.7m (79 days cash in hand). This forecast to reduce to £4.2m at the year end, due to lower funding, especially in July.
  - Lloyds Bank covenants are forecast to be met at the year end.
- 7.2 The Chair commented that the return to an 'outstanding' financial health grade was excellent considering the College situation at the end of the year to 31 July 2013. The Chair congratulated all concerned.

**RESOLVED [C 57/14]**

***The Corporation resolved to note the latest management accounts and commentary for the period to 30 June 2014.***

## 8. Pay Award 2014/2015

- 8.1 The Director of Human Resources presented a written report that which provided background information regarding the AoC pay negotiations with recognised trade unions for 2014/15.

### **RESOLVED [C 58/14]**

***The Corporation resolved to approve a College staff pay award of 1% consolidated increase with effect from 1 August 2014.***

## 9. Local Government Pension Scheme (LGPS) Policy

- 9.1 The Head of Human Resources informed that the Local Government Pension Scheme (LGPS) had been revised for existing members to a CARE (Career Average Revalued Earnings) Scheme with effect from 1 April 2014. As such, the Corporation had received an updated Northampton College LGPS Policy on 19 March 2014 for approval. Subsequent to that date, further guidance was received from LGPS regarding the terms and effect of discretions. Specifically, whereby the previous College Policy stated that the College would not adopt discretions LGPS have advised that incorporating a 'blanket no' to discretions could be 'fettering' i.e. decisions may not take into account individuals' personal circumstances and could therefore be considered unreasonable or potentially discriminatory, depending on the individual's situation. As such, Northampton College's LGPS Policy has been revised to remove the risk of allegations of 'fettering' by caveating certain discretions whereby consideration may be given to adopting those in exceptional circumstances, for example where there are compassionate grounds or it is in the College's best interests.

### **RESOLVED [C 59/14]**

***The Corporation resolved***

- (a) to accept the terms of the new LGPS 2014 regulations;***
- (b) in the light of further advice from the LGPS, to revise the College's Local Government Pension Scheme (LGPS) Policy to permit discretion to increase or enhance the basic LGPS provisions, but to apply such discretion in wholly exceptional circumstances only.***

## 10. Partnership with Addict Dance Academy (Sub-contract)

- 10.1 The Director of Finance and Corporate Affairs presented a written report outlining a proposed partnership with the Addict Dance Academy based in Leicester. The Deputy Principal and Director of Finance presented the case for forming a sub-contractor relationship with Addict Dance Academy, subject to the satisfactory completion of a due diligence exercise. They estimated the sub-contracted provision would be 22 full time students studying a BTEC Extended Diploma in Dance in year 1.

10.2 Members commented as follows: \_

- Members were concerned about 'sub-contracting' in principle and the possible reputational risks for Northampton College;
- There was concern regarding the student numbers for Dance in Northampton being reduced as a consequence of this proposal.
- Members believed an exit strategy and a full risk assessment were necessary as well as a satisfactory due diligence. This model for sub-contracting should be able to be used in any future relationships with Northampton College;
- Comments were made regarding the assumed level of income for Northampton College from this partnership and the Director of Finance and Corporate Affairs was asked to improve the income return for Northampton College;
- Members reminded that the students studying with the sub-contractor were students of Northampton College and should be supported appropriately.

- 10.3 Members recognised that there would be some benefits to this partnership including future HND validation for the College by December 2014 together with the high reputation for Addict Dance Academy.

**RESOLVED [C 60/14]**

***The Corporation resolved, subject to the Principal's satisfaction, to approve the College sub-contract relationship with the Addict Dance Academy for an initial period of 12 months from September 2014, on condition of satisfactory due diligence and that the concerns from Members had been addressed.***

**11.Minutes of the Audit Committee Meeting held on 24 June 2014**

- 11.1 The business of the meeting had previously been reported on verbally.

**RESOLVED [C 61/14]**

***The Corporation resolved***

- (a) to approve the internal audit strategy for 2014/15 – 2016/17 (by internal audit service – ICCA) at a fee of £15,750 plus VAT for 35 audit days in 2014/15;***
- (b) to approve the revised Risk Management Policy and Strategy***
- (c) to note the approved draft minutes.***

**12.Minutes of the Search and Governance Committee Meeting held on 24 June 2014**

- 12.1 The business of the meeting had previously been reported on verbally.

**RESOLVED [C 62/14]**

***The Corporation resolved to note the approved draft minutes.***

*[Items 13 and 14 were taken as one item]*

**13/14 Minutes of the Search and Governance Meeting held on 23 July 2014 / Governor Membership after 31 July 2014**

- The Chair reported that Shena Cooper has resigned from the Corporation with effect from 31 July 2014 and Bob Smart has also resigned from the Corporation with effect from 31 July 2014 thus creating three vacancies for external Governors. The Chair reported that three potential governors had been interviewed and were recommended to the Corporation for appointment. A summary of the potential Governors' expertise and background was provided. The Governors' Skills Matrix had been used to guide the focus of the appointments and to identify future priorities.
- The Chair thanked Shena and Bob for their long service to the Corporation and hard work and commented that the College will look at ways to continue to utilise their expertise and commitment in the future. The Chair will speak to the Principal regarding Nominated Governor arrangements for (i) Safeguarding and (ii) Health and Safety.
- The Chair reported that there is a vacancy on the Remuneration Committee and he would like to appoint the two Vice Chairs to serve on it.
- The Chair of the Corporation, Vice Chair of the Corporation and Chair of the Audit Committee had conducted the performance review for the Principal which included recognition that the Principal met the Corporation's expectations and that her probationary period had been completed satisfactorily. The Chair also reminded that this status was linked to a contractual agreement for a pay award.
- Tracey Branson volunteered to join the Search and Governance Committee for 2014/15.
- The Chair thanked Members for completing the Skills Matrix and commented that any outstanding information, along with the skills of the three new governors would be added in due course.

- The Clerk to the Corporation reported that the induction of the three new governors will take place before the next Board meeting on 25 September 2014.

**RESOLVED [C 63/14]**

***The Corporation resolved***

- (a) that Ellen Buttler be appointed as a Governor with effect from 1 August 2014 until 31 July 2018;***
- (b) that Robert Davey be appointed as a Governor with effect from 1 August 2014 until 31 July 2018;***
- (c) that Mark Hall be appointed as a Governor with effect from 1 August 2014 until 31 July 2018***
- (d) that Tracey Branson be appointed to the Search and Governance Committee for 2014/15***
- (e) that the Remuneration Committee be comprised of Roger Morris, Abhai Rajguru, Philip Hilton and Pat Brennan-Barrett and one further Governor***
- (f) to note that the Principal had successfully completed her probationary period***
- (g) that Mark Hall be appointed to the Audit Committee for 2014/15***

*(Items 15 and 16 were taken as one item)*

**15/16 One to One Report – Chair of the Corporation and Governors / Governance Review**

- 15.1 The Chair of the Corporation encouraged Members to use the opportunity to discuss the previously circulated documents (3 June 2014 : Corporation meeting) arising from the One to One meetings and the review of the Chair of the Corporation.
- 15.2 The Clerk to the Corporation reminded Members of the issues outstanding within the Governance Review report of 3 June 2014.
- 15.3 Members wished to develop a coherent, combined governance action plan with a timetable and performance indicators and requested that the Chair of the Corporation, Principal and Clerk to the Corporation work together to produce a composite document for consideration at the next Corporation meeting.

**RESOLVED [C 64/14]**

***The Corporation resolved***

- (a) to note the One to One Report prepared by the Chair of the Corporation***
- (b) to note the document produced to record the performance review of the Chair of the Corporation***
- (c) to request the Chair of the Corporation, Principal and Clerk to the Corporation to develop a composite governance action plan for the next Corporation meeting (25 September 2014).***

**17. Terms of Reference: Task and Finish Groups**

- 17.1 The Clerk to the Corporation circulated a model for terms of reference for use in the formation of any future task and finish groups.

**RESOLVED [C 65/14]**

***The Corporation resolved to adopt the model terms of reference for future use.***

**18. Date and Time of Next Meeting**

- 18.1 The next meeting of the Corporation will be held on Thursday 25 September 2014 at 6.15 pm in the Boardroom at Booth Lane.

The meeting closed at 7.45 pm.

Ron Hill  
Clerk to the Corporation  
Northampton College

Signed by the Chair:	
Date:	