

MINUTES OF THE CORPORATION MEETING

HELD ON TUESDAY 14 JUNE 2016

Present:	Tracey Branson	Governor
	Pat Brennan-Barrett	Governor (Principal)
	Ellen Buttler	Governor
	Bill Chalker	Co Opted appointment
	Rob Davey	Governor
	Mark Hall	Governor
	Julia Harley	Governor
	Philip Hilton (Chair)	Governor
	Martin James	Governor
	Roger Morris	Governor
	David Smith	Governor

The quorum for the meeting was six Members.

In attendance:

Steve Rankine	Director of Finance and Corporate Affairs
Patrick Leavey	Deputy Principal
Gary Brough	Director of Estates
Jan Hutt	Director of Human Resources
Susan Lewis	Director of Marketing
Julie Brasier	Clerk to the Corporation

The meeting was held in the Boardroom and started at 6.00pm.

1		Welcome and Apologies	Action
	1.1	The Chair welcomed Bill Chalker to the meeting as a Co opted Governor.	
	1.2	Apologies were received from Geraldine Schofield. Philip Hilton, as Vice Chair, chaired the meeting in her absence.	
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 26 April 2016 and any matters arising	
	3.1	The minutes were agreed as a true and correct record and duly signed by the Chair. Progress against action points was noted.	

3.2	Matters Arising – Minute 11.1	
	The Director of Finance and Corporate Affairs confirmed that the cash flow as per the management accounts showed the College to be £1million below budget. This was because the construction of the new College at Daventry had been accelerated to achieve an October opening. The receipt of grant monies was not however accelerated. This had resulted in the cash being less, compared to budget. Once all grant monies are received (this is due by 16 September), cash flow would then be in line with budget again.	
3.3	The ‘good’ shown in the KPI sheet for financial strength (down from ‘outstanding’) was a year to date measure and was driven by a reduced current ratio as at April. This was because funding payments are front loaded to the College but credited to schools on an even basis. This means the balance of front loading is held as a creditor (payment on account) thus reducing the current ratio. By the year end all funding has been allocated and the current ratio is true.	
3.4	Matters Arising - Minute 12	
	The Director of Finance and Corporate Affairs confirmed that at the last meeting of the Corporation, the Student Support allocation had not been released by the EFA. The College had now been advised that this figure was £457,794 which was a reduction of £103,951 (18%) on the current year.	
4	Determination of Any Other Business	
4.1	There would an item for a member of staff concerning an overseas training course.	
5	Daventry Project Update	
5.1	The Director of Estates updated the Corporation on the progress of the Daventry project. The land contract had been signed on 29 April. Governors were thanked for their support with this. The latest version of the risk register, project management progress report and the construction programme had been circulated.	
5.2	There was currently a two week delay with the project, mainly due to windows not being installed. There was a contingency plan for this. The target for the building being ready was still 26 October 2016. Everything else was on track.	
5.3	There had been some changes to the risk register where the risk had increased. The risk for the Client brief not being met had increased because some of the detail in the Architects final drawings was being renegotiated where necessary.	
5.4	The risk for the contractor underperforming had been increased because of delay due to the late delivery of the windows. The risk for changes to the Client brief had also increased because the expansion space, originally intended as vacant for the time being, was now being fitted out because of curriculum changes.	

5.5	SEMLEP funding of £2.6 million had now been received and applications for the remainder of the funds (£2 million in total) had been submitted. Funding received needed to be spent before March 2017. There would be a partial completion on the land sale in September 2016. This would reduce the need for short term borrowing. Governors asked for clarification on what was available to the College for short term borrowing. It was confirmed that £3.6 million had been agreed but should not be needed. The land sale would be completed in full later in the year.	
5.6	Internal Audit had looked at the Daventry project and had given it the highest levels of assurance and there were no recommended actions. RESOLVED C[25/16] <i>The Corporation resolved to note the progress on the Daventry Project.</i> <i>The Director of Estates left the meeting.</i>	
6	Equality and Diversity and Human Resources Report	
6.1	The Director of Human Resources presented her report.	
6.2	The Corporation had a statutory duty to report on equality information and its public sector equality duty. The report set out the diversity data for the College which was based on the work force data for 2013 -14. The employee population remained stable in terms of those with protected characteristics. The College was looking at part time working and other aspects for more diverse employment.	
6.3	The pay for male and female staff was looked at. New reporting requirements were due to come into force and a full audit would be completed by the end of 2016.	
6.4	The Equality and Diversity Action Plan was considered. This showed progress to date against actions. Equality Objectives were reviewed annually (the legal requirement was every four years). The Objectives would be reviewed at the start of the academic year.	
6.5	The Human Resources report set out the organisational and structural changes that had been made. The rationale for the changes made had been to improve quality and offer HE provision. Difficulties in AAT programmes had led to the retention of a third party provider and that had seen a lot of success so far.	
6.6	The main policy change had been performance management. With teachers, the College was looking at the whole role, not just teaching and learning.	
6.7	Safeguarding continued to have a high priority, particularly for Ofsted and a lot of activity had focussed on non employed people. In terms of DBS checks, staff had been asked to self declare any changes. Five had come forward but the convictions were not relevant. Repeating DBS checks was a very expensive exercise.	

6.8	<p><i>Do we need to check some staff more regularly if they are working in a higher risk area?</i></p> <p>The Director of Human Resources confirmed that a recheck would happen if there was a concern or a change in role with a greater student focus. The timing of rechecking in higher risk areas would be reviewed. Nursery staff were checked more regularly. All checks that were done were enhanced checks. There had been a strong emphasis on staff training and as a result they were well aware of their reporting responsibilities.</p>	Director of Human Resources
6.9	<p>Essential training for safeguarding and PREVENT had been delivered, including with contractors' staff. Refresher training took place every 2 years. Failure to do this was a disciplinary matter. All new starters completed their safeguarding training within two months. There were clear reporting lines for safeguarding matters.</p>	
6.10	<p>Due to the cessation of contracting out of the additional state pension, there had been an increase in employee deductions for the current tax year shown as higher national insurance payments.</p>	
6.11	<p>A focus on resolving grievances informally had meant only one grievance had been subject to the formal grievance process. Unions were supportive of this approach.</p>	
6.12	<p>Performance management was both supportive and robust. Nine staff had left as a result of performance management processes</p>	
6.13	<p><i>Are there satisfaction surveys for staff?</i></p> <p>There were questions around the validity of surveys. Managers were trained to deal with and support their colleagues. There were systems and practices in the College to know how staff were feeling.</p> <p>RESOLVED C[26/16]</p> <p><i>The Corporation resolved to note the Equality and Diversity and Human Resources Report.</i></p> <p><i>The Director of Human Resources left the meeting.</i></p>	
7	Marketing Report	
7.1	<p>The Director of Marketing presented her report. The report gave an overview of the College's current position in terms of its overall reputation and marketing objectives. The College was holding its position and building its HE offer. One of the best measures of reputation were the student voice results which indicated that 86% of students would recommend the College to others.</p>	
7.2	<p>The 16 -18 population in the area was static and the current year 11 (15 -16 year olds) was 3% smaller than last year. No demographic increase was expected until 2019. 14% of 16 -18 year olds for the area served by the College attended the College. The College was maintaining its share of 16 -18 year olds, there was strong competition from schools and academies. 50% of young</p>	

		<p>people stayed at school for 16 -18 provision. It was not always easy for the College to access students in schools. There were some schools in the area that worked closely with the College and their students came on group visits to look at the College's curriculum offer and facilities. A liaison strategy with the College's top ten feeder schools had been developed and the College was also building its profile with primary schools. Progression within the College was also an area being reviewed</p> <p><i>Ellen Butler joined the meeting at 6.35pm</i></p>	
	7.3	<p>Applications for 2016/17 were healthy, acceptances were being chased. Applications for Daventry were lower; marketing was focussing on its strengths as a digital academy and this was meeting with some success. This will continue through the summer.</p>	
	7.4	<p>The conversion rate from offers to enrolments was 67%. The College were working to improve this. There was no double counting as only one offer was made. The College did go back to applicants who had not enrolled.</p>	
	7.5	<p>Website traffic had increased by 30% on last year. Applications made on line had increased by 39% and the aim was for this to be 100%. This was more efficient as it avoided two lots of data handling.</p>	
	7.6	<p>Next year the College would be looking to automate CRN so that the relevant information could be personalised.</p>	
	7.7	<p>Several high profile events had been held at the College over the last year that achieved significant engagement and a demonstrable impact on recruitment. These included the Outdoor Cinema and the Skills Fest. In relation to the latter, 83% of the attendees were in the target market.</p>	
	7.8	<p>Looking forward the main points would be the Area Review, messages to employers about the apprentice levy and the Daventry launch.</p>	
	7.9	<p><i>Was the market strategy for HE different?</i></p> <p>The timing was different, with new processes and different planning. Budgets were tighter and there needed to be a focussed approach on fewer courses.</p> <p>RESOLVED C[27/16]</p> <p><i>The Corporation resolved to note the Marketing Report.</i></p> <p><i>The Director of Marketing left the meeting at 6.45pm</i></p>	
8		<p>Area Review</p>	
	8.1	<p>The minutes of the meeting of the Area Review Task and Finish Group held on 26 April 2016 were circulated. The Committee had agreed the Options Appraisal Criteria.</p> <p>RESOLVED C[28/16]</p>	

		<i>The Corporation resolved to note the Minutes of the Area Review Task and Finish Group meeting held on 28 April 2016.</i>	
9		Key Performance Indicators for the Strategic Plan for 2015 - 16	
	9.1	The Principal submitted her report. As requested the report showed the changes made since the previous meeting.	
	9.2	A consultant Ofsted Inspector had recently visited the College – see item 12 below. That had found good teaching and learning in most areas of the College and had also seen outstanding practice. The Consultant would be working with the College over 10 days. (1.2)	
	9.3	Where students had withdrawn from courses they were being contacted at a later date and offered a place on the Fresh start programme. This covered foundation studies and ran for 10 weeks. 25 students had been recruited to the course. It was designed to give them a broader taste of what was on offer to help them with their choices. The programme had gone well with 25 young people classed as NEETS returning to learning. The College had participated strongly in the Regional and UK Skills Competitions. There had been success in fabrication and welding and hair and beauty students had got through to the national finals. (1.4)	
	9.4	Staff had done an excellent job in organising the English and Maths exams and had worked very hard. The College had not been closed although the curriculum had been changed on exam days. 250 invigilators had been required. The number of no shows for the GCSE exams was less than last year. For students not attending these exams, this would be considered in terms of their progression into a second year at the College (1.4(b))	
	9.5	The College was involved in a range of ESF projects. (2.4)	
	9.6	The Options Appraisal (part of the area review process) would be considered as part of the Strategy Day, (2.8)	
	9.7	The Corporation noted that the expected outcome for 2.3 (use of data) was amber but the actual outcome was green so this was better than expected. <i>What happens if the expected outcome was green but is actually amber?</i> This would be picked up as part of the College's Strategic Planning and would be carried forward, Progress against some of the objectives would not be known until November. <i>RESOLVED C[29/16]</i> <i>The Corporation resolved to note the progress against the Key Performance Indicators for the Strategic Plan 2015 -16.</i>	
10		Learner Data Monitoring Retention	
	10.1	The Deputy Principal presented the retention data for the year to date. It was noted that 88 students represented 1%. There was a high degree of	

		confidence that retention would exceed the target of 93% for the College as a whole. Three schools were particularly strong. There was some variation with retention on level 2 courses being weaker. If the target retention rate was achieved this was a good indicator for the success rate.	
	10.2	The monitoring of retention over the year had had an impact. Retention for vulnerable students was monitored particularly closely. Final figures would be reconciled in October but an improvement could be shown over the previous year.	
	10.3	The College was not funded if English and Maths exams were not sat. There was some tolerance but funding could be jeopardised and there was the risk of clawback. There had been some exclusions. The College had sought to emphasise the complete study programme. Funding for this was tied to English and Maths. RESOLVED C[30/16] <i>The Corporation resolved to note the student retention data.</i>	
11		Safeguarding Update Report	
	11.1	The Deputy Principal presented the updated safeguarding report. It gave details of the number of referrals made and the types of abuse covered by those referrals. For each referral there was a risk analysis and this was also shown in the report. All cases were carefully monitored and the level of risk was determined in consultation with outside agencies. Very specific support organised by the social work team was given as appropriate.	
	11.2	Attendance for vulnerable students was carefully monitored, Next year there would be a particular focus on young carers, young parents and care leavers.	
	11.3	Details of staff training were shown in the report. All staff had received PREVENT training and there was an understanding of British Values developed through curriculum workshops. Referrals to the Local Authority Designated Officer were also covered in the report. <i>Where it was shown that students were at high risk, what did this mean?</i> In some cases students were at high risk because of something that had happened in the past, for some it was due to their current circumstances. In all these cases the students were monitored by social services. The Head of Student Services attended the Area Safeguarding Board on behalf of all 3 Colleges. Sometimes issues were discovered by the College; in other cases the College was notified of concerns. RESOLVED C[31/16] <i>The Corporation resolved to note the Safeguarding Update report.</i>	
12		Feedback from Ofsted Consultant	

	12.1	The Deputy Principal submitted his report, following a two day visit from a Consultant who was reviewing aspects of the College against the Common Inspection Framework. The feedback was favourable in a lot of areas. The focus of the visit had been the 16 -18 year old study programmes. This would be one of the four areas that Ofsted would look at. The overall conclusion of the review was good with some outstanding practice.	
	12.2	The report gave details of the different curriculum areas. There was good practice that could be shared across the College and Maths and English were better than what had been seen in other providers. Based on the feedback given it was felt that the College was a 3 but moving strongly toward a 2.	
	12.3	The Principal reported on the Ofsted presentation she had attended that day. Ofsted had sent letters to all headteachers in the East Midlands expressing its concerns over the poor performance in the area.	
	12.4	<p>The concerns arising out of recent Ofsted inspections in FE Colleges had been:</p> <ul style="list-style-type: none"> • Managers not using data • Not enough focus on English and Maths • Not enough emphasis on Teaching and Learning • Not enough data on learner progress • Not enough data on student destinations <p>Colleges were also below national averages in the East Midlands. It was expected by Ofsted that 85% of students had external work experience.</p> <p>RESOLVED C[32/16]</p> <p><i>The Corporation resolved to note the Consultant's report.</i></p>	
13		Student Carousel	
	13.1	The Clerk circulated a summary of the Student Carousel event held in April. Most Governors had attended and the discussion with students had focussed on the student journey through the College. The summary would be shared with the Assistant Principal, Teaching, Learning and Quality.	Clerk
	13.2	<p>It was felt that the views expressed by some of the students taking part were not representative of the views expressed through other student voice activities. This would be looked at for next year with a view to a larger number of students taking part and with each campus being represented.</p> <p>RESOLVED C[33/16]</p> <p><i>The Corporation resolved to note the Clerk's report.</i></p>	
14		Estimates of Income and Expenditure Approval (year to 31 July 2017)	
	14.1	The Director of Finance and Corporate Affairs circulated the draft budget for 2016/17, a commentary accompanying this and the financial plan. The Financial Plan covered the period 2015-16, (forecast outturn) 2016-17 (budget) and 2017 -18 (forecast).	

14.2	The proposed budget delivered a net surplus of £523k, which is an operating surplus of £873k which represents 3.3% of operating turnover. Performance was in line with the expected performance for 2015 -16. Depreciation charges were budgeted at £4,405,000 and a capital budget of £505,000 was proposed.	
14.3	The FE sector nationally recorded an overall deficit for the second year running in 2015/16. Competition from schools and academies was fierce. Changes to the funding system would also give rise to uncertainties. Advanced Learner Loans would be extended to 19+students on approved level 3 programmes. It was not clear whether students would be deterred by this. English and Maths were fully funded and along with ESOL were potential growth areas.	
14.4	The Apprenticeship Levy would be introduced on 1 April 2017. This would increase the funding available but this would sit with the employer. The College was already looking at this to facilitate Employers choosing the College as a provider rather than offering a programme in house. The majority of apprentices studying at the College at the moment were employed by SMEs. Funding for SME apprenticeships would continue on the same basis. Payment systems will be more complicated as a result of the levy.	
14.5	The net surplus took account of the Local Government Pension Scheme liability which was expected to increase in 2016/17; total income for the College stood at £29,600,000. EFA funding had increased, largely due to increased High Needs Funding. Advanced Learner Loans being extended to 19+ meant that income in this area was forecast to increase by 28%	
14.6	The income from apprenticeships has been budgeted at the allocation made. This is prudent and the College hoped to exceed this. Budgeted HE income showed a decrease compared to 15/16. The 15/16 estimate had been over optimistic and the 16/17 figure is more realistic. Fee income was predicted to reduce because of the 19+ loans. No ESF projects have been approved yet so ESF income (£150k) is an estimate. The budget outturn (£523k) was predicted to be slightly higher than 2015-16 outturn (£505k). There is likely to be a surplus on disposal relating to the land sale at Daventry. This is estimated to be around £3.9m and will be added to the net budget.	
14.6	Pay costs were shown to increase and would represent 63.7% of turnover. This is compiled on an individual basis; calculated from a zero base. Non pay costs were down 1%. The balance sheet showed the value of fixed assets increasing. it was noted that payments at the beginning of the fixed term loans were mostly interest. When the land sale at Daventry was completed, a proportion could be used to repay the part of the outstanding loans. There are three tranches of loans which are on different fixed interest rates. The period of the fixed rates all end in April 2019. Governors asked that the Director of Finance and Corporate Affairs look at breakage costs for the fixed rate loans.	Director of Finance and Corporate Affairs
14.7	The Financial Plan indicated the financial health for 2017/18 had dropped to Good. The Financial Health grade is automated. This dropped because of the change in the current ratio as the fixed loans were due for payment in 2019 and became a current liability in 2017-18. In reality they would be either refinanced or repaid by that time.	

	14.8	The Director of Finance and Corporate Affairs circulated the checklist from the SFA for Governors when looking at the Financial Plan commentary. RESOLVED C[34/16] <i>The Corporation resolved to approve the estimates of income and expenditure for 2016/17 and the Financial Plan.</i>	
15		Management Accounts and Commentary for the period to 31 May 2015	
	15.1	The Director of Finance and Corporate Affairs submitted the Management Accounts for the ten months to 31 May 2016. Although slightly under budget for this period, it was anticipated that the final accounts would be on budget.	
	15.2	The management pay cost was queried and it was agreed that this was to be revisited to clarify which salaries were included in management costs. The figure includes Heads of School, Curriculum Managers and the Quality Team who are classified as "Teaching and Teaching Support staff". Investment had been made in the curriculum management through the establishment of a new School of Maths and English with a Head and three curriculum managers; investment had also been made in the Quality unit. The Director of Finance and Corporate Affairs would look at this	Director of Finance and Corporate Affairs
	15.3	Achievement funding for the SFA Single Adult budget is received at the end of the academic year, and it is difficult to forecast. RESOLVED C[35/16] <i>The Corporation resolved to note the management accounts for the ten months to the end of May 2016.</i>	
16		College Staff Pay Review	
	16.1	The Director of Finance and Corporate Affairs submitted his report. An increase of 1% for all staff was proposed. This has been included in the budget for 2016/17. The College had made great strides around performance management and finances were still robust. RESOLVED C[36/16] <i>The Corporation resolved to approve a pay increase of 1% for all staff from 1 August 2016.</i>	
17		Audit Committee	
	17.1	The Chair of the Audit Committee verbally reported on the meeting of the Audit Committee held on 9 June 2016. Three Internal Audit reports had been considered by the committee which had looked at areas of most income and expenditure and the Capital Project. High levels of assurance had been given which was very pleasing. The Committee had approved the Internal and External Audit plans.	

		RESOLVED C[37/16] <i>The Corporation resolved to note the verbal report of the Audit Committee held on 9 June 2016.</i>	
18		Governance Committee	
	18.1	The Chair of the Governance Committee reported verbally on the meeting held before the Corporation meeting. The Committee had looked at the how the Corporation and committees had addressed the priorities for Governors agreed at the start of the year with reference to the Strategic Objectives. The Committee had discussed how well Governors challenged the senior team and how this was recorded.	
	18.2	The Committee had received a report on the AOC Code of Good Governance and the progress made in meeting the 'shoulds'. There had been discussion regarding the recruitment of Governors and the further review of the Skills Audit. It was agreed that the Clerk would circulate the revised skills analysis before the end of the academic year and this would then be considered again by the Governance Committee at its next meeting. In the meantime, any individual CVs would be considered.	Clerk Governance Committee
	18.3	The Committee had considered the arrangements for the forthcoming Strategy Day and reviewed the Committee's effectiveness. It was felt that the Committee had had an impact in putting a clearer focus on matters to be considered by the Corporation. RESOLVED C[38/16] <i>The Corporation resolved to note the verbal report of the Governance Committee.</i>	
19		Corporation Calendar 2016 -17	
	18.1	No further changes to the Corporation Calendar were required. Curriculum link visits and Carousels still needed to be arranged. The Clerk would circulate the Calendar electronically.	Clerk
20		Election of Vice Chair	
	20.1	It was agreed that Tracey Branson would chair the meeting for this item. The Clerk asked for nominations for Vice Chair. Philip Hilton was nominated by Martin James and the nomination was seconded by Mark Hall. RESOLVED C[39/16] <i>The Corporation resolved to elect Philip Hilton as Vice Chair from 1 August 2016 to 31 July 2018.</i>	
21		Governor Appraisal Arrangements	
		The Chair would have 1:1 discussions with half of the Corporation this year and half the following year. The Clerk would be in contact to arrange dates.	Clerk

22		Overseas Course	
	22.1	<p>The Deputy Principal circulated details of a course in India that a member of staff wished to attend which was relevant to the subject they taught in College.</p> <p>RESOLVED C[40/16]</p> <p><i>The Corporation resolved to agree to the member of staff attending the overseas course. The member of staff would be responsible for travel costs but the Corporation would offer a contribution towards the course fees.</i></p>	
23		Date and Time of Next meeting	
	23.1	<p>The next meeting would be the Strategy day held on Tuesday 5 July 2016 starting at 1.30pm.</p> <p>If there was a need for any formal Corporation business this would follow the Strategy Day</p> <p>The meeting finished at 8.25pm.</p>	

Julie Brasier
Clerk to the Corporation
Northampton College

Signed by the Chair:	
Date:	

