



FURTHER EDUCATION CORPORATION MEETINGS 2018/19

MINUTES OF THE FURTHER EDUCATION CORPORATION MEETING

**Held at 5pm on Monday 3rd December 2018
Accrington and Rossendale College, room D101**

Members present: Stephen Barnes (Chair), Amanda Melton (Principal), Mike Phelan, Nadeem Rashid, Phil Wilkinson, Claire Pye, Jane Cleaver, Emma Schofield, David Whatley, Steve Hughes, Stephanie Bridgeman, Brian Fisher, Tim Webber MBE

In attendance: David Rothwell (Deputy Principal)
Tracey Baron (Associate Principal – Quality and Lancashire Adult Learning)
Alison Rushton (Vice Principal – Skills Academy and Apprenticeships)
Sam Mercer (Executive Director – Corporate Planning)
David Rothwell (Deputy Principal)
Tracey Baron (Associate Principal)
Morag Davis (Assistant Principal – Technical Curriculum)
Wendy Higgin (Vice Principal – Curriculum and Quality)
Claire Jarvis (Assistant Principal – Finance and HR)

Debbie Corcoran (Clerk to the Corporation)

<p>Item 1.</p>	<p><u>Welcome and Apologies for Absence</u></p> <p>Stephen Barnes (Chair) began the Corporation meeting by welcoming everyone, acknowledging this was the first Board meeting of the Corporation post-merger and the first Board meeting for 4 new members. Introductions were made.</p> <p>Apologies for absence were received and accepted from: Kendell Earl, Rob Pheasey, Azhar Siddique, Helen Khan and Fionnuala Swann (Assistant Principal – Academic Curriculum).</p>
<p>Item 2.</p>	<p><u>Declarations of Interest</u></p> <p>It was noted that item 9 – remuneration of Senior Post Holders (SPH) required the withdrawal of the SPH and College staff.</p> <p>Members and officers present declared that apart from this, they had no interests, personal, fiduciary, or otherwise in any item on the open agenda for the meeting.</p>

<p>Item 3.</p>	<p><u>Minutes of the Previous Meeting (1st October 2018)</u></p> <p><i>Submitted: 'Minutes of the Board of Corporation Meeting held on 1st October 2018' Part 1 and also Part 2 (confidential) (circulated in Board papers)</i></p> <p>The Minutes of the Board of Corporation Meeting held on the 1st October 2018 (part 1 and part 2) were reviewed and both agreed as an accurate record, and for the signature of the Chair.</p>
<p>Item 4.</p>	<p><u>Matters Arising</u></p> <p>Matters arising were as follows:</p> <ul style="list-style-type: none"> • The Clerk updated on the use of the College Seal since the last Corporation meeting, confirming its application on merger documentation at the Special Board meeting of 28th November 2018 • The Corporation noted that the recently approved 'Safeguarding Children and Vulnerable Adults Policy, Procedures and Guidance' was updated since agreement by the Corporation, in areas that were not material • The Clerk confirmed that the draft minutes of Accrington and Rossendale College's Audit Committee would be reviewed by that Committee's Chair for accuracy and content reviewed at the next Nelson and Colne College Audit Committee meeting • The Corporation noted confirmation from David Rothwell (Deputy Principal) that the Education and Skills Funding Agency (ESFA) had extended the deadline for their receipt of Accrington and Rossendale's 2017/18 Financial Statements from the 31 December to the New Year, with a date to be agreed to allow Nelson and Colne College Board review and sign-off
<p>Item 5.</p>	<p><u>Principal's Report</u></p> <p><i>Submitted: Report (circulated with Board papers)</i></p> <p>Amanda Melton (Principal) presented her report, offering an update on key College developments since the last Board meeting. As today's Corporation meeting had been preceded by a half-day Strategic Planning workshop, the Board noted that key areas of the report had been reviewed, considered and discussed earlier.</p> <p><u>Resolved: To receive and note the Principal's Report</u></p>
<p>Item 6.</p>	<p><u>Finance, Resources and Audit</u></p> <p><u>6.1 Audit Committee Minutes 16 November 2018 (unapproved)</u></p> <p><i>Submitted: Report (circulated with Board papers)</i></p> <p>The Chair of the Committee, David Whatley, presented the highlights from the unapproved minutes and any areas of risk or concern requiring Board attention.</p> <p>The Board noted that due to updated national guidance that Staff Governors should</p>

no longer be members of Audit Committee. Claire Pye was thanked for her attendance, support and input to the Audit Committee to-date, and the change noted.

In relation to internal audit, the Board noted and agreed the Audit Committee's recommendation that additional time and flex be built into the 2018/19 internal audit programme given merger. The Clerk was thanked for her development of the Audit Tracker to support Audit Committee and Board oversight of internal audit actions and areas of risk. The Board noted that the delivery of internal audit follow-up actions had slowed due to merger (IT, partnerships and GDPR) and would be actively monitored to ensure pace.

6.2 Internal Auditor's Annual Report 2017/18

Submitted: Report (circulated with Board papers)

David Whatley, Chair of Audit Committee, presented the Internal Auditor's Annual Report, which was recommended to the Board for approval by Audit Committee. The Committee Chair expressed thanks to the College's leadership team and staff for the achievement of the clean audit opinion given by RSM. The annual statement of assurance and Auditor's opinion were also reviewed and noted. Following review, the Internal Auditor's Annual Report 2017/18 was approved.

Resolved: To receive and approve the Internal Auditor's Annual Report 2017/18

6.3 Audit Committee Annual Report 2017/18

Submitted: Report (circulated with Board papers)

David Whatley, Chair of Audit Committee, presented the Annual Report. The Annual Report reflected internal and external auditor's views and was very positive in relation to the adequacy and effectiveness of the College's systems of internal control and its arrangements for risk management, control and governance processes.

The Committee and Board were assured that the internal audit programme had focused on key areas of risk, and would do so moving forward post-merger. The Board expressed their thanks to the Deputy Principal, Clerk and Finance team for their work.

Resolved: To receive and note the Audit Committee Annual Report 2017/18

6.4 Financial Statements and Regularity Auditors

Submitted: Report (circulated with Board papers)

David Rothwell (Deputy Principal) presented the report, which shared our external auditors 'Financial Statements and Regularity Audit Management Report 2017-18', which had been reviewed by Audit Committee and was being recommended for Board approval.

The Board noted the report is positive and confirms that the year-end audit work has proceeded smoothly and that there are no significant issues accounting, audit, control or regularity/impropriety issues arising. The letters of representation for both the financial statements audit and the regularity assurance engagement were noted and approved.

Resolved: To receive and approve the Financial Statements and Regularity Audit Management Report 2017-18

6.5 Approval of Financial Statements 2017/18

Submitted: Report (circulated with Board papers)

David Rothwell (Deputy Principal) presented the report, which included draft financial statements for the year ended 31 July 2018 for members consideration. The Deputy Principal confirmed that the audit fieldwork was completed, and the substantive figures included were the final position, apart from adjustment to reflect recent agreement by ESFA to fund over-delivery of circa £105k of Adult Education Budget (AEB) by the College. The Board noted there were no surprises, or material adjustments through the financial statements audit process.

Board questions:

Q – was there a risk that the College’s over-delivery of AEB would not be funded?
A – it is difficult to land exactly on year-end delivery against allocation ‘to the penny’, therefore the College’s financial planning builds in a tolerance and buffer. Board had been reassured previously, and the position remained, that the leadership team would only allow over-delivery if it was achieved in a cost-effective manner and so could be additional.

The Board recognised and thanked the College’s senior team, finance team and in particular Judith Dand, for their work and the prompt and efficient approach to producing the Financial Statements. Following review, the Financial Statements were approved.

Resolved: That the Board of Corporation approve the financial statements for 2017/18 and authorise the Chair and Principal to certify as required on its behalf

6.6 Finance Report

David Rothwell (Deputy Principal) presented powerpoint slides tabled at the meeting, which offered the income and expenditure (I&E) position for both Colleges (separately and aggregated) in the first quarter of the 2018/19 year. The Board were assured that both Colleges were performing as expected and as reflected in our merger planning.

Key points and areas discussed were:

- I&E for Accrington projected at year-to-date, a £1.258m deficit, the variance of -£64k above the expected deficit position was due to timing and profiling
- I&E for NCC projected at year-to-date a £59k deficit, above the £40k deficit position budgeted. The Deputy Principal explained this was related to Apprenticeships and tuition fees, related to timing and profiling
- I&E combined confirmed -£123k deficit, with total pay costs noted as a favourable variance of £75k

Risks were referenced in relation to income and cost base. The Board noted the update that 16-18 recruitment in-year has been softer than expected, with a push to increase this and cleanse data to maximise income and claims. It was agreed that

	<p>Finance and Resources Committee will review the delivery and income position for 16-18 learners at their first meeting, with updated data then available following the College's R04 data submission.</p> <p>Action: Finance and Resources Committee to review 16-18 recruitment following R04 data submission</p> <p>Resolved: That the Board of Corporation note the financial position of the College</p>
<p>Item 7.</p>	<p><u>Quality and Curriculum</u></p> <p><u>Strategic Self-Assessment Report (SAR) 2017/18</u></p> <p><i>Submitted: Report (circulated with Board papers)</i></p> <p>Tracey Baron (Associate Principal – Quality and Lancashire Adult Learning) presented the report, which contained both the Executive Summary Self-Assessment Report (SAR) and supporting annexes relating to 16-19 Study Programmes, Apprenticeships, Adult Learning and High Needs.</p> <p>The Associate Principal confirmed that as part of the College's self-assessment process into reviewing the quality of each main strand of provision in 2017-18, the senior curriculum leads supported by their reporting curriculum managers had completed a full review of performance against the Further Education and Skills Common Inspection Handbook (August 2017). As a result of a detailed analysis of leadership and management, teaching learning and assessment, the personal development, behaviour and welfare of learners and their outcomes, the overall effectiveness of the College's provision is graded as Outstanding for academic year 2017-18.</p> <p>The Board reviewed the SAR and supporting documents. It was noted that the Executive Summary Document provided the educational, geographical and economic context in which the College operates, summarises why the College is self-assessing as 'Outstanding' and also identifies what areas the College needs to improve. The areas that the College needs to further improve are clearly identified against each provision type which form the College's Strategic Quality Improvement Plan (QIP) for 2018-19. The Board's Quality and Curriculum Committee will focus on areas of granularity for additional Board assurance. Work was in place to ensure middle leaders and teachers are engaged with and understand how the merged College will go forward with improvements,</p> <p>The Associate Principal was thanked for her report and overview.</p> <p>Resolved: To receive and approve the Strategic Self-Assessment Report (SAR) 2017/18</p>
<p>Item 8.</p>	<p><u>Equality and Diversity Action Plan</u></p>

	<p><i>Submitted: Report (circulated with Board papers)</i></p> <p>Tracey Baron (Associate Principal) presented the report, which offered an Equality and Diversity Action Plan. The Action Plan builds upon the approved Single Equality Statement (SES) document presented previously to the Board and sets out the 7 key objectives that the College will report upon to ensure it meets the legislative requirements for the SES.</p> <p>The Board noted that the key objectives in the Action Plan reflect how the College will monitor the following: the implementation of policy; how the College environment will comply with the Disability Discrimination Act (DDA); training for staff, governors and learners; performance of all student groups; representation from different groups of learners; the celebration and promotion of diversity; how we will act upon feedback from learners. To exemplify how updates will be presented, two actions in Objective 4 were reported.</p> <p>The Board requested an annual report on Equality and Diversity (including the SES), for assurance on achievement of the College and Corporation's responsibilities.</p> <p><u>Resolved:</u> That the Corporation receive and approve the 'Equality and Diversity Action Plan' and agree an annual update on Equality and Diversity</p>
Item 9.	<u>Review of Senior Postholder (SPH) Pay and Conditions</u>
	<p><i>Due to conflict of interest, and requirements in the College's Instruments and Articles, all College staff and the Clerk left the meeting for this item.</i></p> <p>Stephen Barnes (Chair) updated the Board on the recommendations from the Corporation's Remuneration Committee following their meeting of 12th November 2018, in relation to Senior Postholder (SPH) pay and conditions. Assurance was given that the recommendations were informed by consideration of the postholders performance, benchmark data provided in the AoC annual pay survey and the increased size of the College post-merger where relevant.</p> <p>Following consideration, the Board agreed a revised salary for the 3 SPH (Principal, Deputy Principal and Clerk to the Corporation). In relation to terms and conditions, the Principal's leave entitlement was updated, and an increase agreed to the Clerk's working hours supported and made permanent.</p> <p><u>Resolved:</u> To approve a revised salary for the 3 SPH (Principal, Deputy Principal and Clerk) and updated terms and conditions for the Principal and Clerk</p>
Item 10.	<u>AOB</u>
	<p>There were no items of any other business. With this, the Chair thanked members for their attendance and input, and the meeting was closed.</p>

**Debbie Corcoran
Clerk to the Corporation**

Signed as an accurate record:.....(Chair of Corporation)

Name:.....Date:.....