

**PART A Minutes of the Corporation meeting held on 7 March 2017 at 4pm  
THE BOARDROOM 4H01, UNIVERSITY CENTRE**

**Present** Gill Alton CEO, Tony Bramley Vice-Chair, Roger Cannon, Lesley Charlesworth-Browne, Robert Edwards, Philip Jackson, Jonathan Lovelle Chair, Lucy Ottewell, Erika Stoddart

**In Attendance** Susan Bailey, Clerk to the Corporation, Debra Gray Principal GIFHE, Ann Hardy Principal STEC, Sam Whitaker Group Director Strategic Projects.

The Chair welcomed Philip Jackson to the meeting as a new member of the Corporation.

**1. Apologies for absence**

There were no apologies for absence received.

**2. Declarations of Interest**

There were no declarations of interest received. The Chair reminded governors to declare their interests as and when appropriate throughout the meeting.

**3. Minutes of the Corporation meetings held on 15 December 2016 and 9 February 2017 and matters arising.**

- 25.1 **Risk Mapping process** It was noted that a meeting to finalise arrangements for the risk mapping exercise was scheduled to take place on 21 March 2017 with the Clerk and Lesley Charlesworth-Browne, Director of Business and Professional Development. It was confirmed that the Risk Mapping exercise would take place on **Tuesday 9 May 1pm – 3pm** prior to the Corporation meeting.
- 25.2 **Minute 15 Governance Restructure and Membership** The Clerk confirmed all new governors had received appointment letters and would receive induction training throughout the first probationary year as a new governor. It was also confirmed that consultation with staff and students about the Corporation's decision to reduce the number of governors from 2 to 1 respectively would be undertaken during April / May 2017.
- 25.3 **Minute 16 Revised Corporation Meetings Calendar 16-17** The Clerk confirmed that a revised meetings schedule (18 months in advance) would be submitted to the next meeting of the Corporation (9 May 2017)
- 25.4 **Minute 6 Strategic Plan 2016-17 update** The CEO stated that investigatory work was underway to ensure there would be no infringement on the proposed new name for the Group 'The TEC Group' It was agreed that regularly updates on progress towards adopting a new name for the Group be provided at Corporation meetings.

25.5 **Minute 5.2 9 February 2017** The Clerk confirmed that arrangements for the Selection Panel meeting to interview candidates for the post of Group Director of Finance on 28 March 2017 had now been finalised with membership confirmed as follows: Gill Alton, Roger Cannon, Philip Jackson, Jonathan Lovelle and Erika Stoddart. The Clerk stated that following the Selection Panel meeting to interview candidates a Special Corporation meeting had also been arranged to ratify the recommendation to appoint the successful candidate. It was agreed that the PA to the CEO and Leadership team should act as Clerk in the absence of the Clerk to the Corporation.

**RESOLVED** the minutes of the Corporation Meetings held on 15 December 2016 and 9 February 2017 were approved as a correct record and signed by the Chair.

#### **4. ABR Update and implementation of agreed actions – verbal report**

Minute 4 was classified as confidential in accordance with Clause 17 of the Instrument of Government for a period two years.

#### **5. Strategic Plan 2016-17 update Spring Term**

The CEO submitted the Group's Strategic Plan update for the Spring Term 2017, which highlighted the following Strategic Measures (SM) RAG rated amber or red and therefore requiring further attention and scrutiny by the Corporation and Management:

SM 1.2 Attendance showed an improving picture across the Group. The CEO confirmed that Management were confident that the current retention position would deliver an end of year improvement for the Group.

SM 2.2 The results of the latest staff survey had been shared with staff and suggestions were now being sought from staff to identify areas for further improvements with Management working hard to identify ways to improve staff satisfaction at all times.

SM 3.3 The staffing ratio target was slightly above the 64% target at 64.16% with Management continuing to seek efficiencies.

SM 3.4 The core funding stream position and current forecasts had been RAG rated red in all areas due to below target funded income achieved and the delayed start of both Modal Training Ltd and ESF contracts awarded directly / subcontracted to the Group. The CEO reported that the Group therefore predicted a 0.5m deficit at the end of the financial year.

The CEO stated that to mitigate the shortfall Management at all levels within the Group were working to secure income generation and were exercising tight cost control. The current forecast reflected expectations and the in-year threat to achieving targets due to Higher Education fees Adult funding and 16-18 under recruitment and associated lagged EFA funding to be felt financially during 2017-18.

It was noted that the Group now predicted a shortfall of £290k for 16-18 apprentices (50% of this due to ECITB recruitment) although the Group anticipated achieving adult apprentices funding due to roll over sub contracted provision and a number of vacancies for apprentices at STEC and GIFHE in the pipeline.

During lengthy discussion it was acknowledged that forecasting for 2016-17 had been overambitious and a more accurate picture would be available in May 2017.

SM 4.6 Brand architecture at GIG and brand identity work was ongoing. The Director of Marketing was to contact TEC Group Ltd to check concerns over possible infringement. A range of alternative names for the Group were also being considered with an initial shortlist of names to be tested with key stakeholders. It was agreed that the name chosen should include the word 'Group' but not be geographic.

The CEO confirmed that the Scarborough TEC identity for Yorkshire Coast College had now been implemented and that a new visual identity for Lincolnshire Regional College was currently being tested with staff, student and employer stakeholders with the name most favoured Skegness TEC.

**RESOLVED** The Group's Strategic Plan update and actions to address key issues was noted.

## **6. College Pay Award 2017-18**

The CEO submitted the annual College Pay award proposals recommending that employees under 25 years received the same National Living Wage increase as those over 25 years with effect from 1 April 2017 and that there be no general cost of living increase paid to staff with effect from 1 March 2017.

Tony Bramley reported the outcome of discussions at the Remuneration Committee meeting held prior to the Corporation meeting at which members had agreed not to award a general cost of living increase to all Senior Post Holders, the CEO and the Clerk.

The CEO confirmed that the appraisals of all members of EMT had been undertaken the results of which had been reported to the Remuneration Committee. The Chair confirmed that the results of the appraisals for the CEO and Clerk would be reported to the next meeting of the Remuneration Committee.

It was agreed that the CEO communicate the Corporation's decision about the pay award to staff with an explanation of the rationale about the decision which had been financially driven.

**RESOLVED** that employees under 25 years receive the same National Living Wage increase as those over 25 years with effect from 1 April 2017 and that there be no general cost of living increase paid to staff with effect from 1 March 2017.

## **7. Group Financial Performance Forecast**

Minute 7 was classified as confidential in accordance with Clause 17 of the Instrument of Government for one year.

## **8. North Yorkshire LEP bid ‘Scarborough Elite Skills’ to support Scarborough TEC development**

The Group Director Corporate Services submitted a proposal requesting Corporation approval to submit a fully costed business case to gain final approval for the North Yorkshire LEP ‘Scarborough Elite Skills’ bid to support Scarborough TEC development. Governors were reminded that the Group had made an expression of interest to the York/North Yorkshire/East Riding Local Enterprise Partnership in June 2016 for funding from the Skills Capital Fund to support development of Scarborough TEC and had been successful in receiving a £3,345,000 capital intervention for the relocation of Scarborough TEC to the Final Road campus subject to receipt of a final business case.

It was confirmed that the bid had included the rationale for re-housing 2700 students, driving the expansion of apprenticeships and HE provision, sustaining Level 2 provision and supporting labour market returners in Scarborough.

Governors congratulated all staff concerned in achieving such an impressive outcome for the Group. The Chair thanked Keith Pearson, Group Director Finance for his work for the Group in improving financial and risk reporting to governors and wished him every success for the future.

**RESOLVED** The submission of a full business case and associated financial requirements to the York/North Yorkshire/East Riding LEP to obtain a capital grant to the maximum of £3.345m for the ‘Scarborough Elite Skills’ project was approved.

## **9. Equality, Diversity and Inclusion Group Policy – Annual Review**

The revised Equality, Diversity and Inclusion policy for the Group was considered. Governors were assured that the policy ensured the Group’s full compliance with the requirements of the Equality Act 2010 and also highlighted the Group’s commitment to ensuring all learners, staff and stakeholders were treated equally and that diversity and inclusion was fully valued across the organisation. It was confirmed that the policy had been fully scrutinised by SMT / EMT before submission to the Corporation for approval.

It was noted that the policy was subject to annual review and approval by the Corporation.

**RESOLVED** The Group Equality, Diversity and Inclusion Policy 2017 was approved.

## **10. Revised Instrument & Articles of Government – March 2017**

The Clerk submitted proposed amendments to the Group’s Instrument & Articles of Government in order to reflect the recent restructure of governance arrangements, namely replacement of reference to Principal to CEO, removal of reference to the Search Committee, amendment to the maximum number of members of the Corporation. The Clerk reported that further amendment to the Instrument & Articles would be necessary to reflect the Corporation’s decision to reduce the number of staff and student governors from 2 to 1, subject to the positive outcome of consultation with both groups.

**RESOLVED** The revised Instrument & Articles of Government March 2017 were approved.

## 11. Lead Safeguarding Governors

The Clerk stated that following the recent restructure of governance arrangements it would be necessary to reassess the Corporation's allocation of Lead Safeguarding governors. Jane Bowman and Ian Lindley were currently the Corporation's Lead Safeguarding governors from the old structure but were now co-opted members of the GIFHE Board.

The Corporation therefore agreed to allocate a lead safeguarding governor for the Corporation and the GIFHE and STEC Boards and one for the Corporation and requested each board assign a member to this role. It was agreed that procedures, guidance and a training programme then be drawn up for implementation in the Autumn term 2017. It was agreed that each of the safeguarding governors should liaise with the Corporation's lead safeguarding governor to triangulate data relating to safeguarding matters.

The Corporation agreed it was not necessary to allocate a lead governor for health & safety and equality & diversity and that the CEO and Principals of GIFHE and STEC would take the lead in these areas.

**RESOLVED** The proposed arrangements for Lead Safeguarding Governors were approved.

## 12. Membership update and appointment / re-appointment of governors

The Clerk submitted a membership update report which detailed the following:

- Current Governance Structure and membership details
- Governor Selection policy and Governor terms of office data
- Prospective Governors recommended for appointment to the Commercial & Enterprise Board
- Governors due to complete term of office during 2017

The Clerk confirmed the following:

- All new members (including previous Corporation members) of local boards had been issued with appointment letters.
- All new members have been asked to complete necessary governance documentation and undergo a DBS check.
- GIFHE and Scarborough TEC were in the process of appointing a student governor to each of the respective local boards.
- The search for an additional member of the Audit Committee was ongoing with a mailshot letter to local businesses and Audit firms planned.

Governors approved the appointment of prospective members of the Commercial & Enterprise local board taking into account performance and contribution at the Commercial & Enterprise meeting held on 9 February 2017 and their meeting with the Chair of the C & E Board, the CEO, Group Director Strategic Projects and the Clerk. During discussion Governors also agreed to increase the membership of the C & E Board from 8 to 10 members. Governors also approved the re-appointment of Tony Bramley, Vice Chair of the Corporation for a further four years.

**RESOLVED** The membership update report was received and the appointment / re-appointment of the following members was approved for a period of four years including 12 months probationary period (including a meeting with the Chair of the Corporation for all new members) and completion of all necessary governance documentation:

- a) Tony Bramley Reappointed for 4 years from 8 July 2017
- b) James Baker Appointed as co-opted member of the C & E Board for 4 years from 7 March 2017 including 12 months probationary period.
- c) Jane Spencer Appointed as co-opted member of the C & E Board for 4 years from 7 March 2017 including 12 months probationary period.
- d) Mike Parker OBE Appointed as co-opted member of the C & E Board for 4 years from 7 March 2017 including 12 months probationary period.
- e) Jason Leddon Appointed as co-opted member of the C & E Board for 4 years from 7 March 2017 including 12 months probationary period.
- f) Membership of the C & E Board was increased from 8 to 10 members.

### **13. Governance Committee minutes – 15 December 2016**

**RESOLVED** The minutes of the Governance Committee meeting held on 15 December 2016 were received.

### **14. GIFHE Board Spring Term summary and minutes – 24 January 2017**

The Chair of the GIFHE Board outlined the background to the minutes of the meeting held on 24 January 2017.

The Chair stated that the inaugural meeting of the GIFHE Board had gone well with clear indications that student satisfaction was improving. Key highlights of the meeting had included the following:

- The GIFHE Board had commended the recent achievements at TAG and were to hold the next meeting of the Board to congratulate staff and students in person and to experience first hand the student experience at TAG.
- The pressures and issues around Maths and English provision had been discussed at length.
- The GIFHE Board had deferred consideration of the proposal for a veterinary practice included within animal care relocation proposals and looked forward to receiving revised proposals.

**RESOLVED** the minutes of the GIFHE Board meeting held on 24 January 2017 were received.

## **15. Scarborough TEC Board Spring Term summary and minutes – 31 January 2017**

The Chair of the Scarborough TEC Board outlined the background to the minutes of the meeting held on 31 January 2017.

The Chair stated that the inaugural meeting of the Scarborough TEC Board had gone well with clear indications that retention, attendance and student behaviour now showed an improving picture. The Chair reported that communications between the Chair, Principal and the Clerk were very good and communication with new members was also good.

- Induction training planned for new members of the board was planned for 24 April 2017.
- Scarborough TEC were realistic about performance in English and Maths and were working hard to improve performance in this area.
- The recent staffing changes and restructure of the Senior Management team at Scarborough TEC should lead to greater efficiency.
- There was now a platform for Estuary TV at Scarborough
- The Scarborough TEC Board welcomed meeting members of the Corporation and the GIFHE Board and the visit to Modal
- The Concordat Group of Governors had now been set up and were to meet on 16 March at S6F for the first time to progress the Concordat.
- Relocation to the Filey Road campus was due for completion by 1 September 2017 with the Lady Edith's Drive Campus continuing operations for one year only after that.

Members thanked the Chair for his work in developing the new Scarborough TEC board and support for the Principal at Scarborough TEC.

**RESOLVED** the minutes of the Scarborough TEC Board meeting held on 31 January 2017 were received.

## **16. Commercial & Enterprise Board Spring Term summary and minutes – 9 February 2017**

Minute 7 was classified as confidential in accordance with Clause 17 of the Instrument of Government indefinitely.

## **17. Audit Committee – 21 February 2017**

The Chair of the Audit Committee outlined the background to the minutes of the meeting held on 21 February 2017 and drew attention to the following key highlights of the Audit Committee's work:

- The SFA Audit had gone well and a positive outcome achieved
- The risk related to cash balance had increased due to lower than expected student recruitment for 2016-17.
- To avoid potential conflicts of interest the Audit Committee recommended the role of the Freedom of Information Officer be transferred from the Clerk to the Corporation to the Group's Data Protection Officer.

