

**PART A Minutes of the Corporation meeting held on 11 December 2018 at 4 pm
University Centre Board Room 4H01**

Present Gill Alton CEO, Tony Bramley (Vice-Chair), Robert Edwards, Philip Jackson, Liz Parry, Lucy Ottewell-Key, Wendy Spalding-Siracusa, Erika Stoddart (Chair)

In Attendance Susan Bailey, Clerk to the Corporation, Adrian Clarke Group Director Corporate Services, Don Everitt Group Director Finance, Kai Adegbembo (Chair of Scarborough TEC Board from 01.01.19)

The Chair welcomed Professor Jodie Pennachia, Research Fellow, Processes and Practices of Governing in FE Colleges in the UK (ESRC) University of Stirling to the meeting. Details of the remit and aims of the project and governor consent forms were also issued at the meeting.

1. Apologies for absence

1.1 Apologies were received from Roger Cannon.

2. Declarations of Interest

2.2 There were no declarations of interest.

3. Minutes of the Corporation meeting held on 30 October 2018 and matters arising.

3.1 RESOLVED the minutes of the Corporation meeting held on 30 October 2018 were approved as a correct record and signed by the Chair.

4. Matters arising: Action Schedule

- 4.1 Min 19.3 The Clerk reported the results of the recent staff governor elections at which Shaesta Butt had received the most votes and was duly elected as the GIFHE Staff Governor.
- 4.2 Min 19.1 The Clerk reported that the Scarborough TEC Board had recently recommended the appointment of Kai Adegbembo as the new Chair of the board, subject to Corporation approval.
- 4.3 Min 19.3 The Clerk reported that the CEO, Principal GIFHE, Chair of the GIFHE Board and the Clerk had met with prospective member of the GIFHE board Neil Gammon subsequently recommending him as a co-opted member of the GIFHE Board.
- 4.4 Details of governors' liability insurance had been circulated to governors alongside the meeting papers as requested at the last meeting.

5. Confidential Minutes of the Extra-Ordinary meeting held on 15 November 2018 and matters arising

5.1 RESOLVED the confidential minutes of the Extra-Ordinary Corporation meeting held on 15 November 2018 were approved as a correct record and signed by the Chair.

6. Strategic Measures 2018-19 RAG rated report

6.1 The CEO submitted the Group's Strategic Plan RAG rated report the main points as follows:
Corporation 11.12.18

- 6.2 **SM 1.2 Retention** was currently strong with all campuses showing improvements against the same position last year.
- 6.3 **SM 1.6 Overall FE and HE Learner Satisfaction** had improved and increased by 2.2% on last year with a significant increase of 52.9% response rate from last year which could be attributed to the new style survey and method to increase response rates.
- 6.4 **SM 3.3 Embed a new approach to projects and report on win rate and profitability** The Projects team was now fully integrated into the TEC Partnership and supported all areas in developing projects fitting the Partnerships organisational and local department strategies with the process re-engineered accordingly. The win rate for projects was currently 72% with contribution levels at 20% for revenue projects relating to direct teaching delivery.
- 6.5 **SM 3.6 Achievement of Modal's financial plan**
- 6.6 The TEC Partnership's financial position 2018-19 for period 3 showed a deterioration to plan with actions in place to rectify this.
- 6.7 Staffing to income ratio for the TEC Partnership was currently 62.8% against the target of < 64% based on the draft period 3 accounts.
- 6.8 Minute 6.5 relating to SM 3.6 was classified as confidential indefinitely in accordance with Clause 17 of the Instrument of Government.

RESOLVED The Strategic Measures 2018-19 RAG rated report was noted.

7. Area Based Review / National Leaders of FE / Institutes of Technology update - confidential

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

8. Self-Assessment Report 2017-18

- 8.1 The Principal GIFHE submitted the TEC Partnership Self-Assessment Report 2017-18 confirming that although FE Colleges were no longer required to submit these reports to the ESFA or Ofsted submission of the Self-Assessment report to the Corporation for scrutiny and endorsement was considered good practice. It was confirmed that governors from each local board and an external validator for GIFHE and Skegness TEC had been involved in respective SAR validation panel meetings during the Autumn term with robust discussion and challenge forthcoming and agreement that the self-assessment reports provided a realistic and accurate picture of performance throughout 2017-18.
- 8.2 During questions and answers it was confirmed that Apprenticeships had been judged outstanding in line with the significant improvements secured during the year.
- 8.3 The CEO stated that the TEC Partnership Self-Assessment Report 2017-18 showed exceptional performance, rare in the sector and which was to be applauded.

RESOLVED The Self-Assessment Report 2017-18 was noted and approved.

9. TEC Partnership Annual Complaints Report 2017-18

- 9.1 The Executive Director of Quality's annual report on complaints was submitted which provided a brief overview the TEC Partnership's complaints process. Members noted the following:
- 9.2 The recording, investigation and resolution of complaints across the majority of the TEC Partnership was highly effective. During 2017-18 a total of 109 complaints had been received (64 GIFHE complaints, 45 Scarborough TEC complaints) The report detailed the types of complaints (by age) and measures taken to resolve the complaint.
- 9.3 Members were pleased to note the number of complaints compared to the number of learners across the TEC Partnership was very low and that this should be represented as a percentage within future reports. It was also noted that a number of actions had now already been taken to improve certain areas of the student experience and any staffing issues resolved. Details of further actions to enhance the complaints process at Scarborough TEC were included within the report.
- 9.4 **RESOLVED** The TEC Partnership Annual Complaints Report 2017-18 was received.

10. TEC Partnership Safeguarding Policy and Annual Report 2017-18

- 10.1 The Principal GIFHE submitted the TEC Partnership Safeguarding Policy and Annual Report 2017-18 evidencing the work of the TEC Partnership in meeting its statutory safeguarding requirements and ensuring the effective safeguarding of all learners. The annual report 2017-18 included the following information/data:
- Safeguarding policies and procedures in place and review dates.
 - Safeguarding training and induction undertaken by relevant staff
 - Safeguarding concerns during the year categorised by need, area, type of referral and the performance of Looked After Children (LAC)
 - Student voice results showing that 97% of students felt the TEC Partnership was a safe place to learn (an increase of 6.5% on last year)
 - Partnership working
 - Safeguarding retention data
 - Staffing issues
 - Prevent duty
 - Action plan update
- 10.2 During discussion members wished to commend the good results in respect of Looked After Children. The following was also agreed:
- Whilst not a legal requirement all governors should endeavour to complete the safeguarding module as soon as possible in order to lead by example and in line with mandatory training for staff.
 - Tracked changes to the safeguarding policy should be provided for future reports.
 - It was confirmed that all staff and governors had now read the Keeping Children Safe in Education document.

RESOLVED The Group Safeguarding Policy and Annual Report 2017-18 was noted and approved.

11. Group Health and Safety Policy and Annual Report 2017-18

- 11.1 The Group Director Corporate Services submitted the Group Health & Safety Policy 2017-18 confirming that the policy statement had been updated in line with the new TEC Partnership branding, with Accident / Near Miss reporting updated to include definitions.
- 11.2 The addition of a Legionella policy was noted as was inclusion of a nominated legionella officer, as recently advised by GIFHE Board members during review of the policy at the last meeting.
- 11.3 RESOLVED** The Group Health & Safety Policy and annual report 2017-18 report was noted and approved.

12. Group Human Resources Annual Report 2017-18

- 12.1 The Group Director HR submitted the annual HR report 2017-18. Members commended the executive summary which it was agreed provided the correct level of information and data for governors to correctly surmise the Group's current HR position. During questions and answers the following was confirmed / agreed:
- The current recruitment cycle was to be reviewed in order to enhance the induction process.
 - Issues arising and next steps for 2018-20 plan should be submitted with the next annual report.
 - A recent tribunal case had raised issues which were now being addressed with lessons learned actioned accordingly.
- 12.2 RESOLVED** The Group Human Resources Annual Report 2017-18 was noted.

13. Management Accounts period 3

RESOLVED Minute 13 was classified as confidential in accordance with Clause 17 of the Instrument of Government.

14. Annual Treasury Management Annual Report

- 14.1 The Group Director Finance submitted the Annual Treasury Management Annual Report which detailed the following:
- The cash position year ended 2017-18 was £4.4m (2016/17 £5.8m)
 - Operating cash inflow year ended 2017-18 was £4.6m (2016/17 £1.3m) and capital expenditure totalled £5.5m (2016/17 £8.6m)
 - The budgeted position for year ended 2018-19 was £4m including cash related expenditure for the phased purchase of the new Scarborough Campus, the Construction and Engineering new build and excluding the forthcoming sale of existing Scarborough Campuses.
 - During January to April, in line with the usual seasonal dip in funding body income, utilisation of a revolving credit facility with Santander of £3.5m would be required to mitigate the adverse trend.
 - Outstanding debt at the end of 2017/18 financial year (excluding Student Loans Company) totalled £1m with £0.6 of this outstanding debt over 90 days.
 - Bank Covenants linked to the Santander loan were within target range for the year ended July 2019.

- Operating losses had been a particular focus for the Senior Team throughout 2017-18. As the TEC Partnership achieved an operating surplus of £1.4m the covenant aspect was no longer a risk.

14.2 RESOLVED the Group Treasury Management Annual Report 2017-18 was noted and approved.

15. Capital projects update report

15.1 The Group Director Corporate Services submitted Capital expenditure update reports in respect of GIFHE, Scarborough TEC and Humber Health Care (including BSc Nursing)

15.2 During discussion it was confirmed that GIFHE capital budgets had been restricted to priority items only due to the current TEC Partnership cashflow position. Capital works at GIFHE included TAG Phase 5 to enhance additional external space and 30 smaller curriculum, estates and IT projects.

15.3 The Scarborough TEC Filey Road Construction and Engineering development phase 2 continued to progress well despite the recent theft of equipment and was broadly on time and within the £3.69m budget. Plans to relocate from the Lady Edith Drive site to Filey Road were on target to take place over Christmas in order to commence operation from 8 January 2018.

15.4 The Humber Health Care project now required additional capital expenditure of £350k with £200k recovered through LEP funding in order to support delivery of BSc Nursing at GIFHE from February 2019 onwards and two additional nursing rooms and science lab update.

15.5 Additional capital expenditure of £15k had been added to the capital budget to support development of the growing NET provision in Grimsby and delivery of employability programmes.

RESOLVED The Capital projects was noted and additional expenditure of £350k with £200k LEP funding was approved.

16. Annual Legal Report 2017-18

16.1 The Group Director Corporate Services presented the TEC Partnership Annual Legal report 2017-18 which detailed the legal expenses incurred by the Group during 2017-18 (£25.2k) and a comparison to the previous year (£26.9k) It was noted that the main costs related to pension, lease/property, employment law and debt collection with the largest transaction relating to the recent purchase of Transafe Ltd.

RESOLVED The Group Annual Legal report 2017-18 was received and noted.

17. Annual Report of the Audit Committee 2017-18

17.1 The Chair of the Audit Committee submitted the Annual Report of the Audit Committee 2017-18 confirming that the report provided an accurate record of Audit Committee business undertaken during the year 2017-18. The following was noted:

- The Audit Committee had achieved 89% attendance at meetings throughout the year.
- A review of the Audit Committee's effectiveness had been undertaken during the autumn term 2018 using the CIPFA self-assessment tool the results of which confirmed that the

Audit Committee had been effective and had fulfilled its term of reference in line with the Post-16 Audit Code of Practice.

- In recommending the Annual report to the Corporation the Audit Committee were satisfied and were of the opinion that on the basis of the reports received from the auditors appointed by the Grimsby Institute Group, the Audit Committee, Senior Management, the College's Risk Management Group and other sources of audit information that the Corporation's assurance arrangements, framework of governance, risk management and control processes for the effective and efficient use of resources (Value for Money), solvency of the institution and the safeguarding of its assets were adequate and effective.
- The Annual Report of the Audit Committee included the following documents as appendices:
 - a) Terms of Reference of the Audit Committee
 - b) Internal Audit End of Term summary report 2017-18
 - c) Financial Statements Audit Findings report 2017-18

17.2 During questions and answers it was confirmed that outstanding work referred to within the Audit Findings summary report had now been concluded since mailing the report. It was agreed that as the report was incomplete the Group Director Finance circulate via email the revised document to governors accordingly.

17.3 The Chair of the Audit Committee confirmed that members had scrutinised the report in depth asking a number of searching questions, all of which had been answered satisfactorily, including issues relating to Modal. The current position of the ERYC pension fund had also been considered by the Audit Committee at length.

17.4 RESOLVED The Annual Report of the Audit Committee 2017-18 was approved.

18. Financial Statements 2017-18

18.1 The Group Director Finance submitted the TEC Partnerships' Members report and Financial Statements 2017-18 and associated letters of support (Modal and Support Staff Services) as recommended for Corporation approval by the Audit Committee on 4 December 2018.

18.2 As the operating surplus of £1.4m had been achieved (before pension adjustment) and recent notification received from the ESFA of an additional £125k Adult Education income management did not plan to adjust the accounts for this late item.

18.3 Management had provided the External Audit Service with a 'present value in use' calculation which following discussions and re-modelling had been accepted as justification to hold the funding of Modal Training Ltd in the financial statements of £6.2m as at December 2018. It was agreed that the success of Cadetships would be crucial for Modal.

18.4 Members reviewed each page of the Financial Statements 2017-18 in turn.

18.5 It was agreed that as the Financial Statements had not been finalised the Chair of the Corporation should delay signing off until receipt of the final version and associated letters of support.

18.6 RESOLVED The Financial Statements 2017-18 and letters of support for Modal Training and Support Staff Services were approved and the Chair authorised to sign them subject to receipt of the final versions.

19. Audit Committee 4 December 2018

19.1 The Chair of the Audit Committee outlined the background to the minutes drawing attention to the following:

- The Draft Annual Report of the Audit Committee had been considered in depth.
- The Annual Internal Audit Report 2017-18 provided significant assurance to the Audit Committee that TEC Partnership operations and systems of internal control were in order.
- The Group's Financial Statements 2017-18, including all subsidiary companies and the Modal letter of support and Modal Going Concern report had been considered in depth by the Audit Committee on 4 December 2018 and were subsequently recommended for Corporation approval.

19.2 RESOLVED the draft minutes of Audit Committee meeting held on 4 December 2018 were received. The following recommendations of the Audit Committee were approved:

- a) Audit Findings (completion) report year ended 31 July 2018
- b) Self-Assessment Regularity Questionnaire 2018
- c) GIFHE Members' Report and Financial Statements for the year ended 31 July 2018
- d) Modal Training Ltd Directors' Report and Financial Statements for the year ended 31 July 2018
- e) Support Staff Services Ltd Directors' Report and Financial Statements for the year ended 31 July 2018
- f) Grimsby College Trading Ltd Directors' Report and Financial Statements for the year ended 31 July 2018
- g) Modal Training Ltd Letter of Support
- h) Modal going concern report.
- i) Support Staff Services Ltd Letter of Support

20. HE update report and HE Advisory Board proposal

20.1 The Principal GIFHE presented the Office for Students update report, the main points of which were as follows:

20.2 Following successful registration with the OfS GIFHE would be required to meet the following conditions / 'outcomes'

- Access and participation
- Quality and standards
- Management and governance
- Student contracts and protection
- Financial sustainability

20.3 Members were informed of management's ambition to achieve Degree Awarding Powers. Members were reassured that any potential conflict of interests regarding the University of Hull as the validating body would be managed appropriately.

20.4 The report by the CEO and Clerk proposing the introduction of an HE Advisory Board to the Corporation's structure to allow additional governor scrutiny of HE provision was considered and approved. It was agreed that additional scrutiny and increased expertise in this area was crucial to support the DAP ambition and to ensure compliance and correct oversight of the high standards required of this provision. It was agreed that the HE Board report via the minutes to the local boards and Corporation accordingly.

20.5 RESOLVED The HE update report was noted and the proposal to introduce an HE Advisory Board was approved.

22. Scarborough TEC Board minutes 22 November 2018

22.1 In the absence of the Chair of the Scarborough TEC Board Kai Adegbembo outlined the background to the minutes and provided a summary of key activities to date including steps taken to achieve the improvement in attendance. Completion of the new construction building and move from the LED campus to Filey Road was imminent and would likely secure further improvement to college operations.

RESOLVED the minutes of the Scarborough TEC Board meeting held on 22 November 2018 were received and noted.

23 GIFHE Board minutes 27 November 2018

23.1 The Chair of the GIFHE Board outlined the background to the minutes and reported the continuing strong academic and financial performance of GIFHE currently. It was noted that vacancies within the GIFHE board had now been filled.

23.2 The Principal GIFHE reported that as delegated by the Corporation in October 2018 the GIFHE Board, at the meeting held on 27 November 2018, had approved the OfS Assurance statement which had been subsequently signed by the CEO and Chair to ensure the statement had been sent to the OfS by the deadline date of 3 December 2018.

23.3 The Chair of the GIFHE Board confirmed that GIFHE Board had agreed that the HE full periodic review report was comprehensive and provided sufficient information and assurance about the Group's HE provision for the GIFHE Board to be able to approve the CEO to sign the Assurance Statement 2016-17.

RESOLVED the minutes of the GIFHE Board meeting held on 27 November 2018 were received and noted and the OfS Assurance 2017-18 statement, signed by the CEO and Chair on the approval of the GIFHE Board on 27 November 2018 was retrospectively approved by the Corporation.

24 Corporation membership update

24.1 The Clerk submitted a Corporation membership update report recommending the appointment of a number of new members either interviewed or elected for appointment by respective staff / student groups and all of which had been undertaken in line with the Corporation's Selection of Governors policy and procedures.

24.2 In respect of the proposed amendment to the Audit Committee Terms of Reference and Post 16 Audit Code of Practice guidance relating to staff governor membership of Audit Committees it was agreed that the terms of reference be amended accordingly but that this would not prevent staff governors within the TEC Partnership becoming members of the Audit Committee if the Corporation so wished (suitability and bringing a helpful staff perspective being the key factor for selection)

24.2 RESOLVED

- a) The Scarborough TEC Board's recommendation to appoint Kai Adegbembo as the Chair of the Scarborough TEC Board was approved
- b) Kai Adegbembo was appointed as a full member of the Corporation from 1 January 2019 for a period of 4 years.
- c) The appointment of Robert Copley as a student member of the GIFHE Board for a period of one year was ratified.

- d) The appointment of Ashley Corrigan as the HE student member of the Corporation for a period of one year was ratified.
- e) The appointment of Shaesta Butt as a staff member of the GIFHE Board for a period of four years was ratified.
- f) The Appointment of Neil Gammon as a co-opted member of the GIFHE Board for a period of four years was approved.
- g) Amendment of the Audit Committee terms of reference relating to staff members who 'should' not be members of the Audit Committee was approved.

25. Corporation calendar update

25.1 The Clerk submitted the updated Corporation meetings calendar 2019-2020 which included additional provisional dates for meetings of the Audit Committee and the Corporation in November 2020 in anticipation of the OfS requirement for submission of Financial Statements by the predicted 30 November 2020 deadline.

25.2 **RESOLVED** The updated Corporation calendar 2019- 2020 was agreed

26. Election of Vice-Chair of the Corporation from March 2019 onwards.

26.1 The Clerk's report outlining the process to elect a Vice-Chair of the Corporation was received and noted. Members were reminded that Tony Bramley was to step down as a member and Vice-Chair of the Corporation from March 2019 leaving a vacancy for a member of the Corporation, Chair of the GIFHE Board and Vice-Chair of the Corporation. Nominations for the position were received at the meeting.

25.2 **RESOLVED** Kai Adegbembo was elected Vice-Chair of the Corporation from the date of departure of the out-going current Vice-Chair.

26. Chairs update December 2018

26.1 The Chair submitted a report detailing the following:

- The Chair, CEO, GIFHE and STEC Principals had attended the annual AoC conference on 20- 21 November at which it had been confirmed that funding would continue to be tight. FE Colleges had been urged to lobby government to highlight the disparity in funding of 16-19 year olds in FE Colleges and Sixth Form Colleges.
- Julian Gravatt, AoC Deputy Chief Executive had accepted the invitation to speak at the Corporation's forthcoming Strategic Planning event on 8-9 April.
- The new Ofsted Common Inspection Framework would result in changes to the process with colleges required to 'prove' that courses added value.
- The DfE's recent guidance on governance best practice provided a good learning aid which could be utilised by the Corporation and local boards either at meetings or outside of meetings.
- The Chair intended to undertake governor 1 to 1 sessions from April 2019 onwards to gather governors views and review support / training requirements.
- The AoC governor briefing 'Asking Powerful questions' was circulated at the meeting.

27 Date and time of next meetings

a)	Monday 8 April 2019	11am onwards	Strategic Planning event
b)	Tuesday 9 April 2019	9am – 12.30pm	Strategic Planning cont...
		2pm – 3pm	Remuneration Committee
		3 pm – 5 pm	Corporation meeting
b)	Tuesday 21 May 2019	4pm – 6pm	Corporation meeting

The meeting closed at 6.30 pm

Signed _____

Date _____

Chair of the Corporation

Action Schedule

No	Minute Title	Action by	Action required
9	TEC Partnership Annual Complaints Report 2017-18	ED Quality	Percentage data included in next year's annual report.
10.2	TEC Partnership Safeguarding Policy and annual report	Clerk Principal GIFHE	Governors to complete Educare Safeguarding module Tracked changes on future policy submissions
12	TEC Partnership annual report	HR Director	Issues arising, next steps for 2018-20 plan included with next years' annual report.
17	Annual Report of the Audit Committee 2017-18	GD Finance	Forward finalised Audit Findings report to the Chair of the Corporation for signing.
18	Financial Statements 2017-18	GD Finance	Forward finalised version of FS 2017-18 and to the Chair of the Corporation for signing.
20	HE Update report and HE Advisory Board proposal	Clerk	Convene first meeting of HE Advisory Board to agree TOR and reporting mechanism.
24	Corporation membership update report	Clerk	Appointment letters for all new governors and commence with compliance checks (DBS etc) Amend Audit Committee TOR (and selection procedures)
25	Corporation calendar of meetings 2019-20	Clerk	Place on SharePoint – send to all governors with governors December 18 update.
26	Chairs update December 2018	Chair / Clerk Clerk	Commence with governor 1 to 1s April 19 onwards Submit governor training and development plan to April Corporation meeting incorporating DfE guidance document