

**PART A Minutes of the Corporation meeting held on 29 October 2019 at 4 pm
University Centre Board Room 4H01**

Present Gill Alton CEO, Erika Stoddart (Chair) Tony Bramley (Vice-Chair), Liz Parry, Robert Edwards, Wendy Spalding, Kai Adegbembo, Becky Huxley-Binns alpha order

In Attendance Susan Bailey, Clerk to the Corporation, Adrian Clarke Group Director Corporate Services, Tony Lawlor Group Director Finance, Debra Gray Principal GIFHE

Prior to the meeting at 3.30 pm the Principal GIFHE provided a presentation on the new **Education Inspection Framework (EIF)** implemented from 1 September 2019. Click icon for slides:



EIF Governor Update.pptx

The presentation included details of the new format, focus (less on data, more on deep dives) and key themes of the new Inspection framework (the three 'I's' Intent, Implementation and impact) and expectations of governance. The Principal stated that governors across the TEC Partnership would be kept regularly updated on developments with the EIF.

Members thanked the Principal GIFHE for a most informative and helpful presentation. Whilst the TEC Partnership remained an outstanding provider the Principal stated that work would continue as normal to maintain current high standards and performance with the relentless push to seek improvements year on year. In respect of governors responsibilities regarding the new EIF it was agreed that regular briefings at meetings and governor training updates would be provided as and when required.

1. Apologies for absence

1.1 None received.

2. Declarations of Interest

2.1 None received. Members were reminded to declare any interests throughout the meeting where necessary.

3. Minutes of the Corporation meeting held on 8 July 2019 and matters arising.

3.1 RESOLVED the minutes of the Corporation Meeting held on 8 July 2019 were approved as a true record and signed by the Chair subject to correction of a typo. There were no matters arising.

4. **Strategic Measures 2018-19 – RAG rated closure report**

4.1 The CEO submitted the Group's Strategic Measures 2018-19 closure report drawing members attention to the following:

- Retention and achievements showed an outstanding performance which illustrated a 5.4% improvement since 2016/17 when the TEC Partnership was judged to be Outstanding by Ofsted
- The finalised functional skills data confirmed the TEC Partnership had exceeded the target of 76% and that although the GCSE strategic measure had not been met, analysis illustrated that the students did achieve their predictive grades. GCSE results continue to be a difficult challenge with work ongoing to review the strategy to identify improvement opportunities.
- The NSS (National Students Survey) data received for the cohort finishing 2018/19. showed that overall scores are positive in all categories except Learning Resources and Overall Satisfaction. Further analysis was provided within the report.
- A strong performance had been achieved during 2018-19 with GIFHE currently number 2 in FE College League tables. The CEO wished to commend the Principals of GIFHE and Scarborough TEC for this exceptional achievement.
- A £1m surplus had been achieved therefore all staff were to be offered a £50 shopping voucher to spend at Christmas (to be determined) as a gift from the Senior team in recognition for their exceptionally hard work during last year.

4.2 Members congratulated the CEO and management for the excellent results which again showed a year on year improvement on what were already outstanding achievements. It was agreed that the investment in capital at Scarborough TEC had proved worthwhile as continuing good progress had been achieved and was highly commendable.

4.3 RESOLVED The Strategic Measures 2018-19 RAG rated closure report was received and noted.

5. **Strategic Measures 2019-20 – RAG rated report & 'return to green' reports**

5.1 The CEO submitted the Group's Strategic Measures 2019-20 RAG rated report which confirmed the following:

5.2 Current attendance data which was below 90% would likely be positive with any areas with attendance concerns reviewed and corrective action taken accordingly.

5.3 **Measure 3.3. To ensure the sale of the two Scarborough sites by July 2020.**

i) Westwood (RAG rated amber). Despite managements best efforts the sale of the building had not progressed with the building now on the market again.

ii) Lady Edith Drive: Planning application was now in process with objections from Sport England still in place relating to an archaeological assessment. Management still awaited the S.106 agreement from Scarborough Council.

5.4 **Measure 3.3.1 Create a project plan for each of the IoT's and report against progress (RAG) to ensure it is on target.** Both IoT's had detailed Gantt charts for the delivery of the capital programme and separate individual risk registers had been produced which the teams were utilising to ensure effective risk management. A report was to go to each local board and the Corporation detailing the progress on the developments including achievement of recruitment targets. Formal management meetings also took place every two weeks to review progress on all aspects.

5.5 **RESOLVED** The Strategic Plan update and actions to address key issues were noted.

6. National Leaders and Institute of Technology (IoT's) update

6.1 The CEO submitted an update report on the latest developments with National Leaders and IoT's, the main points as follows:

6.2 **National Leaders:** The Commissioner's office had offered a further £50k for the National leaders (50 days) in order to support RNN Group and CEO mentorship of two new Sector Principals. In total the TEC Partnership had now received £409,326 in funding for activities undertaken to date. The work with Coventry College and Wolverhampton was ongoing.

6.3 **Institutes of Technology:** Both IoT's were in the position to progress to full licence following delays to the whole IoT programme during the summer.

6.4 General Update:

- The Grimsby Institute had achieved commended status in 7 out of 8 categories for Beacon Awards with the finalists to be announced at the AoC Conference in November 2019 representing an outstanding achievement by the GIFHE team.
- A recent case study of the progress made by Scar-TEC over the last 3 years had been submitted to the North Yorkshire LEP annual conference to illustrate the impact made from investing in the Scar-TEC project again representing an outstanding achievement by the Scar-TEC team.
- The TEC Partnership continued to showcase the organisation and enhance its reputation through the following:
- Breakout sessions at the AoC Conference (Digital Dynamite – Julie Moore and Deborah Millar and Healthy Leadership and Governance of FE Colleges – Gill Alton and Richard Atkin, FE Commissioner)
- The CEO had been invited to take part in a review led by Dame Mary Ney into how the government monitors colleges' finances and financial management and a round table discussion with Lord Agnew appointed by the Director of Education to take responsibility for the FE Commissioner and college financial oversight.
- The GIFHE Principal had been asked to act as the AoC representative on the JISC board of trustees.

- The GIFHE Principal and Deborah Millar have also spoken at the 4th Annual FE Technology Forum in London.
- The TEC Partnership had three finalists in the UK heats of the World Skills Competition in Birmingham (2 representatives in Hairdressing and 1 representative in Engineering)

6.5 RESOLVED The National Leaders and IoT update report was noted with thanks to the CEO and her team for the relentless hard work in building the TEC Partnerships reputation within the FE Sector.

7. Merger Transition Group – minutes/recommendations 19.09.19 and 14.10.19 and MTG Terms of Reference

Minute 7 was classified as confidential in accordance with Clause 17 of the Instrument of Government until completion of the merger process.

8. Management Accounts period 1 and 2 and commentary as at September 2019

8.1 The Group Director Finance submitted the management accounts period 1 and 2 and commentary as at September 2019 and reported the following:

8.2 The Revenue Budget was currently £7,319k vs Actual £6,893k resulting in a **Variance -£426k**

Recruitment as at 3pm on 3 October 2019, with the exception of TAG and Scarborough TEC showed that enrolment numbers were more or less as expected with TAG down by 77 and the budget adjusted to 444 accordingly. The budgeted shortfall of 52 equated to £282k in unrecoverable revenues. A new principal was now in place to rectify matters.

Area	Under 19			Adult FT			HE			19+ Loans		
	Planned	Actual	+/-	Planned	Actual	+/-	Planned	Actual	+/-	Planned	Actual	+/-
ADVT	713	692	-21	59	65	6	34	49	15	13	25	12
COME	439	474	35	22	38	16	145	142	-3	0	24	24
D&CI	370	399	29	14	19	5	313	295	-18	19	18	-1
HW&S	437	469	32	37	57	20	559	560	1	79	46	-33
CAR6	77	58	-19	2	1	-1	0	0	0	0	3	3
SKEG	186	157	-29	21	11	-10	0	0	0	14	17	3
TAG	465	388	-77	0	0	0	0	0	0	0	0	0
QUA	0	0	0	0	0	0	35	32	-3	0	0	0
GIFHE subtotal	2687	2637	-50	155	191	36	1086	1078	-8	125	133	8
STEC subtotal	590	494	-96	41	64	23	9	9	0	27	45	18
Group total	3277	3131	-146	196	255	59	1095	1087	-8	152	178	26

8.3 An ESFA Funding audit took place w/c 23rd September by KPMG (Last Funding Audit 2014). 1 funding error had been found against 1 apprenticeship learner. No major issues were found in any other areas. The auditors were reassured that the TEC Partnership funding claim was accurate and no clawback would be required. The audit covered 16-18 EFA funding, AEB funding, Apprenticeships, Adult Loans, Subcontracting, ESF match funding, and some other agency funding e.g. TAG, PCDL and HEFCE.

8.4 The Payroll Budget was currently £4,561k vs Actual £4,256k **resulting in +Variance £305k**. Agency spend was a small area of concern with management working to reduce the ratio below 2%.

- 8.5 The non-payroll budget was currently £3,249k vs Actual £2,006k **resulting in a +Variance £1,244k**. Non-payroll budgets were under tight control with budget holders cautious and careful with expenditure.
- 8.6 Catering was anticipated to lose £69k for 2019/20. It was acknowledged that in order to keep catering costs neutral for the benefit of students it was unlikely the catering budget would increase revenue significantly. Securing reduced rates with World Pay for the use of merchant machines had resulted in the removal of the £3 minimum spend, and which had been positively received by students – this combined with going cashless at TAG had reduced cash on site.
- 8.7 The accounts and commentary included a focus ‘Deep Dive’ into Debt for Period 2 providing additional information about the new process to ensure debt was identified into the correct category by the end of September in order to minimise the amount of debt written off by the TEC Partnership at the end of each year. The over 90 day debt was queried and the Group Director Finance asked to look at this in more detail to ensure that it was collectible.
- 8.8 In conclusion over review of the accounts members thanked the Group Director Finance for production of the accounts in the new format and content which it was agreed were easily digestible. Members also welcomed receipt of the monthly management accounts outside of Corporation meetings and incorporation of ‘Deep Dives’ into the management accounts.
- 8.9 **RESOLVED** the Management Accounts period 1 and 2 and commentary as at September 2019 were received and noted.

9. **ESFA confirmation letter re Sub-contracting provision**

- 9.1 The report detailing the recent requirements of the ESFA relating to sub-contracting provision was considered. The report confirmed that the TEC Partnership was compliant with the ESFA subcontracting requirements as outlined in the letter sent to all FE Colleges by the ESFA CEO in that subcontracting at the TEC Partnership (which members were informed was minimal) was purposeful, appropriate and provided added value to learners.
- 9.2 **RESOLVED** that the CEO submit a response to the ESFA by 1 November 2019 confirming the TEC Partnership’s subcontracting arrangements are compliant with ESFA subcontracting requirements outlined in the ESFA letter to Chairs / CEOs.

10. **Data Protection Policy and GDPR update**

- 10.1 The Group Director Corporate Services submitted an update on GDPR activities and the Group Data Protection Policy for Corporation approval. The following was reported to members:
- GDPR continued to be a live issue for the TEC Partnership
 - The GDPR Committee met every 2 months and each area in the TEC Partnership had an annual GDPR/Data retention review meeting

- The recent Internal Audit review of GDPR arrangements had received “substantial assurance” with minimal recommendations that arrangements were effective.
- There had been 5 ‘near misses’ and 13 GDPR breaches in the last 12 months, but non reportable to the Information Commissioners Office (ICO) These had all been recorded on the TEC Partnership’s GDPR register.
- The Data Protection policy had been updated with minor amendments recommended.

10.2 Members requested tracked changes and revision history details on future policy submissions to the Corporation.

10.3 RESOLVED The GDPR update report was noted and the Data Protection Policy was approved with agreement that the Audit Committee recommend the policy for Corporation approval on a bi-annual basis thereafter.

11. Capital update including capital investment 2019-20

11.1 The Group Director Corporate Services submitted a Capital update including details of planned capital investment 2019 -20. The following was reported:

11.2 The Constructing Better Futures grant from the Humber LEP provided for the purchase of new equipment for the construction curriculum and refurbishment and upgrade of classrooms. The TEC Partnership was to act as the prime for the grant, with partners East Riding College and DN Group. The grant would provide growth in learner numbers within construction training in the Humber. The increase in students within the bid had been modelled in line with the demographic growth.

11.3 The grant would be 100% matched with IoT funding and therefore did not require any capital input from reserves.

11.4 The TEC Partnership had been awarded an ERASMUS Grant of 233,000 euros in relation to the ERASMUS staff and student mobility programme paying for staff and students to undertake trips and work experience.

11.5 The TEC Partnership had made a bid for DFE T Level Capital Grant of £613k as an early adopter of T Levels. The grant would be used to refurbish parts of the 1B corridor at Nuns Corner for IT curriculum delivery.

11.6 It was confirmed that all grants/projects and opportunities were reviewed at EMT on a fortnightly basis.

11.7 In discussion it was agreed that going forward local boards must be informed of grants and projects prior to submission to the Corporation via a short explanatory note either inside or outside of meetings.

11.8 RESOLVED The Corporation approved the capital budget of £613k for the development and improvement of the Construction facilities at the Nuns Corner campus to be funded by the Humber LEP through the Constructing Better Future grant (subject to being awarded the grant)

12. General Capital 2019-20

Minute 12 was classified as confidential in accordance with Clause 17 of the Instrument of Government indefinitely.

13. Memorandum of Understanding for subsidiary companies update report

Minute 13 was classified as confidential in accordance with Clause 17 of the Instrument of Government until completion of the merger process.

14. Use of Corporation Seal update report

14.1 The Group Director Corporate Services submitted a report detailing the deeds and documents executed under Corporation Seal since the last meeting in July 2019, approved under Chairs action. The documents signed under Seal were as follows:

- a) Exit from an existing lease of Fryston House (to allow NELC to dispose) that was an excess part of the estate no longer required.
- b) New lease for a property in Leeds (Waverly House) for NET to operate from 3 years with a break at 2 years if required.
- c) Yorkshire & Humber IoT agreements.

14.2 **RESOLVED** Use of the Corporation seal under Chairs Action in respect of a) b) and c) as detailed above was approved.

15. Written resolution 19.09.19 regarding YCC Pension Fund

Minute 15 was classified as confidential in accordance with Clause 17 of the Instrument of Government indefinitely.

16. Modal Advisory Committee meetings minutes 15 August 2019 and 15 October 2019

Minute 16 was classified as confidential in accordance with Clause 17 of the Instrument of Government indefinitely.

17. Audit Committee meeting minutes 1 October 2019

17.1 The Chair of the Audit Committee outlined the background to the minutes of the Audit Committee meeting held on 1 October 2019 summarising the key discussion points. Members noted that the Audit Committee had received assurance from Auditors that Modal continued to be a going concern presently.

17.2 **RESOLVED** the minutes of the Audit Committee meeting held on 1 October 2019 were received and the following recommendations approved:

Minute 15 Financial Regulations 2019-20

18. HE Oversight Committee (HEOC) meeting minutes 29 October 2019

18.1 The Chair of the HEOC outlined the background to discussion at the meeting held prior to today's Corporation meeting which had been very productive in oversight of the key areas for HE scrutiny.

18.2 The Chair confirmed that the HEOC committee had made two recommendations in view of the OfS continued delay in awarding Degree Awarding Powers, agreeing that the CEO write to the OfS to communicate the committee's concerns regarding the delay and the approval of the latest annual HE Assurance Statement be delegated to the GIFHE Board for retrospective approval of the Corporation as and when the Assurance statement was received from the OfS.

18.3 RESOLVED the following recommendations of the HE Oversight Committee were approved:

- a) Minute 7 Degree Awarding Powers confirmation of extension of powers
- b) Minute 15 Annual HE Assurance Statement

19. Governor Attendance 2018-19

19.1 The Clerk submitted a report detailing governor attendance during 2018-19 (at individual, Committee / Local board and Corporation level). The main points of the report were as follows:

- The Corporation's attendance target was 80% for governors and co-opted external members.
- During 2018-19 overall attendance at Corporation, Committee and Local Board meetings was 92% representing an increase of 7% from last year (85%)
- All Committees / Local Boards had achieved attendance of over 80% with the exception of the Scarborough TEC Board (78%).
- 75% of governors achieved over 75% attendance during 2018-19
- 69% of governors achieved over 90% and above attendance during 2018-19
- Benchmarking data from the FE Clerks Network showed a mean governor attendance rate of 81.40 % for 2018-19 for the 115 FE Colleges who took part in the survey.

20.2 The Chair thanked members for their continued good attendance throughout 2018-19. It was agreed that whilst governor attendance continued to be good a very high level of attendance should be maintained and expected of all members of the Corporation and local boards and committees.

19.3 RESOLVED The Governors Attendance report 2018-19 was received and noted

20. Membership update report as at October 2019

20.1 The Clerk submitted an update report on current Corporation and Local Board membership which detailed the following:

- 20.2 Elections for a Corporation staff member and GIFHE Board student governor were to take place in November 2019. Members were reminded that under the Corporation's current rules the President of the Student Senate (elected by the whole HE student body) was automatically appointed as the Corporation's HE Student governor.
- 20.3 As the GIFHE Chair's term of office was to end on 31 December 2019 Robert Edwards had offered to act as interim Chair of the GIFHE board until a new Chair was allocated, therefore leaving a vacancy for Chair of Audit. It was agreed that all members of the Audit Committee be asked to consider taking on the role of the Audit Committee Chair, all of whom it was agreed currently possessed the necessary skills and experience to undertake the role.
- 20.4 The Clerk, Chair of the Audit Committee, Chair of the Corporation and CEO had met with prospective member Walter Leschenko who it was agreed possessed the necessary skills and experience to become a member of the Corporation / Audit Committee and duly recommended his appointment as a co-opted member of the Audit Committee.

20.5 RESOLVED The Corporation agreed the following:

- a) Appointment of Walter Leschenko as a co-opted member of the Audit Committee for a period of four years.
- b) Appointment of Neil Carrington as a co-opted member of the Modal Advisory Committee and as a director of the Modal Training Ltd Board of Directors for a period of two years (as recommended by the Modal Advisory Committee (Ref min 7: 15.10.19))
- c) Appointment of Erika Stoddart as a director of the Modal Training Ltd Board of Directors (as recommended by the Modal Advisory Committee (Ref min 7: 15.10.19))
- d) Appointment of Robert Edwards as Chair of the GIFHE Board from 1 January 2020 onwards.
- e) Current membership of the Corporation, Committees and Local boards for 2019-20 including appointment of new members.

21 Chairs governor 1 to 1s summary

21.1 The Chair's 1 to 1s summary report was considered. The Chair stated that feedback from her recent 1 to 1 sessions with governors had been very positive and helpful in identifying areas for further support and emerging issues. It was agreed that the Corporation undertake a review of current succession plan arrangements using the results of the 1 to 1 sessions in order to ensure compliance with the Instrument & Articles of Government and to ensure full and effective membership of the Corporation and associated local boards. The Chair stated that following feedback from 1 to 1s a report summarising discussion at each Corporation meeting would be forwarded to all members of the Corporation, local boards and committees in order to maintain connectedness with local boards.

21.2 RESOLVED the Chairs governor 1 to 1s summary was received with thanks to the Chair

22 Any other business

The Principal GIFHE invited all members to attend the TAG Brilliance awards taking place on 9 November 2019.

23 Date and time of next meeting Tuesday 10 December 2019 4pm- 6pm
followed by governors Christmas dinner @ 6.30

The meeting closed at 6.15 pm

Signed _____ Date _____

Chair of the Corporation

Action Schedule

No	Minute Title	Action by	Action required
9	ESFA confirmation letter re subcontracting	CEO	Submit response to ESFA by 1 Nov 2019
10	Data Protection policy & GDPR update	Clerk	Schedule Audit Committee review of DP policy for Sept 2021 – amend ACOB
18	HE Oversight committee minutes	CEO Clerk	Write to the OfS re DAP delay Schedule review of HE Assurance Statement
20	Membership update report as at Oct 2019	Clerk GD Finance	Appointment letters to new governors Inform Companies House re BoD additions
21	Chairs 1 to 1s summary report	Chair	Summary of Corporation decisions / action following each meeting sent to all governors