

**PART A Minutes of the Corporation meeting held on 21 May 2019 at 4 pm
Board Room 4H01 University Centre, Grimsby**

Present Kai Adegbembo, Gill Alton CEO, Tony Bramley (Vice-Chair), Ashley Corrigan (HE Student) Robert Edwards, Liz Parry, Lucy Ottewell-Key, Wendy Spalding, Erika Stoddart (Chair)

In Attendance Susan Bailey, Clerk to the Corporation, Adrian Clarke Group Director Corporate Services, Alan Bird Interim Group Director Finance (arr 4.30 pm), Professor Jodie Pennachia, Research Fellow, Processes and Practices of Governing in FE Colleges in the UK (ESRC) University of Stirling.

1. Apologies for absence

1.1 Apologies were received from Becky Huxley-Binns

2. Declarations of Interest

2.2 Tony Bramley declared an interest in minute 17 as a member of the N Lincs & Goole Hospital Trust. There were no other declarations of interest.

3. Minutes of the Corporation meeting held on 9 April 2019 and matters arising.

3.1 RESOLVED the minutes of the Corporation meeting held on 9 April 2019 were approved as a correct record and signed by the Chair.

4. Matters arising: Action Schedule

4.1 The Clerk reported that Philip Jackson had resigned from the Corporation on 7 May 2019 due to increased work commitments. Members wished to thank Philip Jackson for his work and contribution to the Corporation over many years which it was agreed had been outstanding and very much appreciated. It was agreed to hold a farewell gathering to say thank you in person.

4.2 Scarborough TEC had secured improvements in retention, attendance and achievement to date compared to this time last year with recruitment activity data also positive. Members wished to commend the good progress made.

4.3 The Chair was to undertake governor 1 to 1s during the summer term, prior to local board meetings where possible.

4.4 The Chair was to look at whether to undertake Chairs training during the next academic year.

5. Strategic Measures 2018-19 RAG rated report / 'return to green' reports.

5.1 The CEO submitted the Group's Strategic Plan RAG rated report stating that the TEC Partnership as a group had again exceeded targets. The main points of the report were as follows:

- 5.2 SM 1.1 **Retention** as at 03/05/19 showed a very positive picture with the TEC Partnership currently above national benchmark for retention.
- 5.3 SM 1.2 **Attendance** continued to be closely monitored and whilst attendance was lower than last year at Skeg-TEC the retention of students remained high. The TEC Partnership, GIFHE and Scar-TEC were currently on or above attendance levels at the same point last year.
- 5.4 SM 1.3 **2018/19 In-year Functional Skills Achievement Rate as at 26/04/19** showed that the functional skills achievements to date were tracking ahead of the same position last year as a Group therefore the improvement target looked achievable.
- 5.5 SM 4.4 **Use of excellence to enhance reputation and identify opportunities to support the sector** continued with the TEC Partnership involved a number of high profile events such as:
- CEO to sit on the panel for the University of Hull's Offshore Wind Skills Solutions Summit on 30th May 2019
 - CEO invitation to join Four Nations Panel at the Colegau Cymru Annual Conference on Devolution and Delivering Public Value in Education on 12 July 2019 (unable to attend due to other commitments).
 - The CEO will be a panellist on the Lincolnshire LEP's Evolving Opportunities conference on 12th July 2019.
 - The Principal GIFHE has received an invitation from Chris Skidmore MP, Minister of State for Universities, Science,
 - Research and Innovation to be involved in the EdTech Project. The strategy includes a commitment to form an Education Technology (EdTech) Leadership Group, comprising key individuals from both the EdTech industry and the education sector.
- 5.6 SM 4.6 **Continuously explore partnership and collaborative opportunities**
- i) The TEC Partnership was leading on a regional LEP skills capital bid worth £611k to the Partnership and £1.5M to the region.
 - ii) Industry Insights is a collaborative bid led by the TEC Partnership, partnered with New College Durham, Walsall College and Burnley College – and the value of the contract is £224k.

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

6. Draft Group Strategic Measures 2019-20

6.1 The CEO submitted the first draft of the Group Strategic Measures 2019-20 following feedback received from members at the Strategic Planning days held on 8 -9 April 2019. The measures will be finalised during June 2019 and submitted for local board review and final Corporation approval on 8 July 2019.

6.2 The CEO stated that a number of additions to the Strategic Measures 2019-20 ie the sale of the Westwood Site in Scarborough by 2020 had now been included. During discussion it was agreed to include where necessary harder and more measurable targets with planned completion dates and an indication of the likely impact to be achieved.

6.3 RESOLVED The draft Group Strategic Measures 2019-20 were received and endorsed.

7. CEO's update local initiatives / developments and emerging issues.

7.1 The CEO's update report provided a summary of the following:

a) The TEC Partnership had been approached by the FE Commissioner to work with two Colleges (Wolverhampton and Coventry College) seeking support via the Strategic College Improvement Fund (SCIF) If successful the bids would generate income of £50K and £60K respectively.

7.2 The IoT bids for both Greater Lincolnshire and North Yorkshire were now at contract stage with meetings scheduled during May 2019 to finalise the detail and conditions of expenditure.

7.3 The TEC Partnerships success in gaining the following Educate North awards was commended by the Corporation:

- Employer Engagement Award
- Innovation Award (for Student TV)
- Director of Digital and Creative Industries highly commended in the leadership category

7.4 **RESOLVED** The report was noted with thanks to all staff concerned for their considerable efforts in being successful in both IoT bids and recognition for the number of national awards.

8. Strategic Opportunities

8.1 **RESOLVED** Minute 8 was classified as confidential in accordance with Clause 17 of the Instrument of Government.

9. Note relating to the pensions liabilities of Yorkshire Coast College – confidential minute

9.1 **RESOLVED** Minute 9 was classified as confidential in accordance with Clause 17 of the Instrument of Government.

10. HE Improvement plan (submission to OfS) and HE Financial Sustainability letter

10.1 The TEC Partnership's HE Improvement Plan was submitted for retrospective approval of the Corporation. Members noted the following:

The HE Improvement plan had been submitted to the OfS by the 30 April 2019 deadline in line with the requirements of the registration confirmation document which included:

- an additional specific ongoing condition as part of the registration in respect of student outcome data and the increased risk of GIFHE breaching Condition B3 and requirement for Corporation approval of an HE improvement plan
- subsequent and continuing scrutiny of the HE Improvement plan and review thereafter by an 'oversight committee' (effectively the Corporation's newly formed HE Advisory Board) to ensure compliance with OfS Condition B3.

10.2. During discussion the following was raised and/or agreed:

- Renaming the newly formed HE Advisory Board to the HE Oversight Committee (HEOC) was agreed.

- Terms of Reference for each local board required revision to highlight governors responsibilities in respect of the OfS conditions and role of the HE Oversight Committee.
 - HE was a significant part of the TEC Partnerships provision therefore increased scrutiny / oversight of activities and performance by the HE Oversight Committee followed by a follow- on review by each local board respectively was paramount.
- 10.3 The OfS letter to the Chair of the Corporation regarding financial viability and sustainability was received. The letter provided data to inform financial decisions made by the Corporation and so that members could accurately assess the risk that planned student recruitment and fee income targets may not be met. Members requested the letter be re-submitted along with benchmarking data in respect of student recruitment and fee income targets to the next meeting of the HEOC for further discussion and subsequent re-submission to the Corporation on 29 October 2019.
- 10.4 **RESOLVED** The HE improvement plan was retrospectively approved with agreement that the HE Advisory Committee be renamed the HE Oversight Committee.
- 11. Management Accounts as at March 2019 (period 8) Confidential minute**
- 11.1 **RESOLVED** Minute 11 was classified as confidential in accordance with Clause 17 of the Instrument of Government.
- 12. Budget Planning process**
- 12.1 The Interim Group Director Finance provided a verbal update on this year's budget planning process to date which it was noted was nearing completion. Members were reminded that due to the timing of start date for the new Group Director Finance this year's annual budget for both the GIFHE and Scarborough TEC boards would be presented to the Chair of the Corporation and respective board chairs at a meeting on 25 June 2019 for subsequent submission to the Corporation directly.
- 12.2 **RESOLVED** The Budget Planning update was noted.
- 13. Capital Projects update**
- 13.1 The Group Director Corporate Services submitted the Capital Projects update report which confirmed that all current projects were expected be completed within budget. The report detailed overall project spend v original budget for curriculum projects under £100k, estates projects under 100k, TAG phase 5 (above £100k), IT/ITL projects under £100k and the Humber Health Care Project (Part 1) part funded by the Humber LEP grant.
- 13.2 During discussion it was confirmed that the Humber Health Care project was almost complete with new counselling rooms developed, a refurbished main science laboratory and the nursing ward and clinical ancillary room now completed with the fixtures, fittings and equipment.
- 13.3 **RESOLVED** The Capital Projects update report was received and noted.
- 14. Memorandum of Understanding (Subsidiary Companies and Agreement with Partners)**
- 14.1 The Group Director Corporate Services annual report on the Memorandum of Understanding between the TEC Partnership and subsidiary companies was received and noted. Members requested that the report articulate the split of group ventures and the posts of individuals specifically ie Group Director Finance, CEO and Group Director Corporate Services.

14.2 RESOLVED the Memorandum of Understanding (Subsidiary Companies and agreement with Partners) was approved subject to the requested revisions relating to postholders.

15. Selection Panel meetings 24 March and 5 April 2019

15.1 The CEO updated members on the appointment of the Group Director Finance who was due to commence employment with the TEC Partnership on 12 June 2019.

15.2 RESOLVED The minutes of the Selection Panel meetings held on 24 March and 5 April 2019 were approved.

16. Remuneration Committee 8 April 2019

16.1 The Chair of the Remuneration Committee provided background to the minutes. The CEO confirmed that the decision regarding the annual staff pay award had been generally well received in light of the addition holiday entitlement. The CEO confirmed that during the latest rounds of CEO updates staff understood the reasoning for the decision and the challenges that lay ahead for the TEC Partnership over the next two years.

16.2 It was agreed that adoption of the AoC Senior staff remuneration code and completion of the Annual statement of the Remuneration Committee provided helpful guidance when considering the remuneration of Senior Post holders and should continue as standard good practice.

16.3 RESOLVED The minutes of the Remuneration Committee held on 8 April 2019 including the Annual Statement of the Remuneration Committee 2017-18 were approved.

17. Strategic Planning days 8-9 April 2019 – notes/presentation slides

17.2 The Chair thanked all governors for their attendance at this year's Strategic Planning event which it was agreed had been very useful in allowing every governor to meet as a team, ask questions and discuss the current challenges and opportunities open to the TEC Partnership and associate sites. Members wished to thank Julian Gravatt AoC Deputy CEO for a most informative and helpful presentation and the Principal Scarborough TEC for the hospitality and excellent meeting venue.

17.2 RESOLVED the notes of the Strategic Planning days 8-9 April 2019 including decisions made were approved.

18. Audit Committee 7 May 2019

18.2 Members noted the resignation of the interim Chair of the Audit Committee and the need to appoint a new Chair with financial skills and experience as soon as possible. Whilst the Audit Committee now comprised four members it was agreed to seek out additional members to join the committee.

18.2 RESOLVED The minutes of the Audit Committee held on 7 May 2019 were received and noted.

19. Chairs update May 2019 including FE Commissioners latest update

19.1 The Chair provided an update on recent Chairs activities to date and submitted the FE Commissioners latest update letter to chairs and principals outlining key learning points

from the Commissioners work and role within the DfE's recently published 'College Oversight: Support and Intervention Policy'. Members discussed the following points outlined within the letter:

1. Colleges need to understand and accept their financial vulnerabilities as early as possible, and ask the ESFA local teams or ourselves for support. Diagnostic assessments can help.
 2. The balance between improving quality and sustaining finances is very challenging, but never compromise quality simply in order to survive "independently".
 3. Boards of governors MUST include two financially qualified members, who are able to offer support and challenge to the Principal/CEO and FD.
 4. Monthly management accounts with a comprehensive commentary and 24 month cash flow forecast should be sent to all governors.
 5. In our experience every college requires a finance committee or similar to focus on these issues. Full board meetings alone are insufficient.
 6. Every college should have a property strategy and up to date space utilisation survey.
 7. Colleges should not sell assets simply to avoid insolvency and remain "independent".
 8. Learn from other colleges; partnering and sharing with other non-local colleges is frequently the best source of improvement.
 9. Budget prudently and avoid over optimistic forecasting of learner numbers etc. Growth should be a bonus not a naïve aspiration.
 10. Ensure that your Chair, Principal/CEO and FD attend the relevant Said Business School/ETF leadership programmes. Feedback from these programmes is overwhelmingly positive.
- 19.2 Members welcomed the FE Commissioners new policy and guidance agreeing that college leaders and governors must recognise and accept potential problems swiftly and take early actions and ask for support as soon as possible. It was agreed that the Corporation and local boards were mindful and compliant with all aspects of the guidance.
- 19.3 Discussion took place around the recommendation for the Corporation to operate a finance committee. It was agreed that the Corporation's current governance arrangements provided the necessary financial oversight and scrutiny at Corporation and local board level with a number of suitably qualified governors appointed but that financial reporting in FE could always be improved. The following was agreed:
- All governors should receive monthly management accounts going forward.
 - A pre-meeting finance training session on balance sheets should be provided for governors.
 - A separate board meeting on finance could be arranged if required following meetings where further data/information or explanation was requested by governors.
 - Strategic Measure Property Strategy should include an up to date space utilisation survey.

- The TEC Partnership partnered and shared good practice with other colleges.
- Following requests at meetings governors now had more accurate forecasts.

19.4 Members also discussed the 10 Characteristics (10 Cs) of a well-run college agreeing to map compliance against these (see overleaf the 10 Cs)

20. Any other business

None

21 Date and time of next meeting

Monday 8 July 2019

4pm – 6pm

Corporation meeting

The meeting closed at 5.40 pm

Signed _____

Date _____

Chair of the Corporation

Action Schedule

No	Minute Title	Action by	Action required
10	HE Improvement plan (submission to OfS)	Principal GIFHE	OfS letter regarding financial viability and sustainability submitted to next meeting of HEOC along with benchmarking data re student recruitment and fee income
12	Budget Planning process	Chairs, CEO, GD Finance and Principals	Meeting on 25 June 2019 to consider local board annual budgets 2019-20
14	Memorandum of Understanding (Subsidiary Companies and agreement with Partners)	GD Finance	Articulate split of group ventures and the posts of individuals specifically ie GD Finance, CEO and GD Corporate Services.
18	Audit Committee 7 May 2019	Clerk / Corporation	Commence search for a new Chair of the Audit Committee.
19	Chairs update May 2019 including FE Commissioners latest update	GD Finance GD Finance / Clerk GD Corp Services	Resume monthly management accounts sent to all governors. Pre- meeting finance training on balance sheets Strategic Measure : Property Strategy to include up to date space utilisation survey

The 10 Characteristics of a well-run FE College

1. **Clarity:** Successful colleges are very clear about their purpose and have the needs of local learners and employers at the heart of their operation. They have a clear mission, vision, set of values and strategy that are well communicated and understood throughout the institution. In many ways they may be considered to be risk averse but new ventures that move the college away from its core function are subject to careful scrutiny and analysis before they are undertaken. Potentially exciting and profitable opportunities are only undertaken when it is clear that they will contribute to the core mission and not detract from it. The priority is a curriculum suited to local needs, having the right student on the right course and providing levels of teaching and support that will lead to high levels of achievement.
2. **Connectivity:** The best college leadership and management teams are very aware of what is happening in the sector (and elsewhere). They have good formal and informal networking arrangements with relevant individuals and organisations at all levels. They have a deep understanding and solid relationship with businesses. They continually benchmark the college against the performance of others and constantly seek out better practice to enable them to implement often small but significant improvements in their operations. In many of the colleges visited to date, this has been missing. A key characteristic has been that they have been inward looking rather than outward facing.
3. **Confidence:** In the best colleges, senior leadership teams have the range of skills, qualifications and experience to ensure the delivery of high quality provision while being sufficiently self-confident to implement change or ask for help if needed. In a number of colleges where an intervention has taken place there have been highly skilled individuals at senior levels but the balance hasn't always been right. Financial expertise in particular has often been missing and there has been a reluctance to seek help from elsewhere.
4. **Complacency (Lack of):** All staff are actively encouraged to work hard to self-improve and to help others improve without ever being entirely satisfied or complacent. This involves senior teams walking the floor and getting to know their staff individually. Comments made during interventions that the senior team is "invisible" have often been matched by Ofsted judgements of inadequate for leadership and management.
5. **Consistency:** In high performing colleges policies and procedures are applied consistently across the institution and managers at all levels insist on 100% compliance. In the same way that a chain is only as strong as its weakest link, areas of outstanding practice are sometimes undermined by poor performance in other areas. Basic requirements - for example that all teachers are observed in the classroom and appraised each year - have compliance rates closer to 50% than 100% in the weakest colleges visited, more often than not due to a lack of an appropriate structure or organisational skills than a lack of co-operation from staff.
6. **Cohesion:** The senior leadership team fosters a sense of common purpose and teamwork that centres on the experience and success of the learner from (pre- college) application to (post college) employment/further study. Given the multiple demands on time and resources sifting out what is really important and at the heart of the institution - student success - seems to be lost sometimes in the pursuit of tangential activity at the expense of the core business.
7. **Challenge:** Board members and senior managers are not always prepared to hold difficult conversations and deal with problems promptly when they arise. Too often in the colleges that are performing poorly the lack of challenge at Board level in particular has been apparent. There has been too great a willingness to accept the Principal's assurances that all is fundamentally well or that the college is in the same position as everyone else - when clearly it is not. Similarly senior staff have often allowed poor performance in some areas to continue for far too long and only faced up to the situation when a problem has become a crisis.
8. **Creativity:** Individuals are encouraged and prepared to take measured risks and explore new ways of doing things without endangering the success of the core business. The "command and control" model which may work in a crisis does not always get the best out of people or encourage innovation when matters improve.
9. **Celebration:** Senior teams recognise the contributions and successes of those throughout the institution and celebrate their and the college's achievements. Praise is more frequent than criticism.
10. **Care:** Generic guidelines on how best to support students and staff are provided and individual support where required is available. One size doesn't usually fit all but ensuring that mechanisms are in place to support all students in and around their studies and staff in and around their work is fundamental to institutional success. Letter to chairs and principals of Further Education and sixth form college corporations.