

Minutes of the meeting of the Board of Governors held on **27 September 2018**.

Present: Bob Harrison (Chair), Clive Macdonald, Yultan Mellor (Principal), Mike Bramhall, Anne Shiels (up to and including Min B18/118), Frank Lord, John Edwards (up to and including Min B18/98), Sarah Tyler (up to and including Min B18/118), Liz Stanley, Neil James, Catharyn Lawrence, Kate Fleming, Ann Corrigan and Colin Forrest.

In attendance: The Vice Principal, the Treasurer/Head of Finance and the Clerk to the Governors.

Apologies: Tim Thornton and Ken Richardson.

GENERAL BUSINESS AND GOVERNANCE

B18/85 DECLARATIONS OF INTEREST

With respect to:

- Their role as trustees Clive Macdonald and John Edwards declared a non-financial interest in items which related to the Wentworth Castle and Stainborough Park Heritage Trust. In relation to item 16 - Gardens and Parkland – Future Arrangements - it was noted that the item was an update only and was in relation to arrangements with the potential successor organisation rather than the current trust;
- His role of chair of the Barnsley Metropolitan Council Audit Committee Cllr Ken Richardson declared a non-financial interest in items which related to BMBC.;

B18/86 It was agreed that no decisions to be taken would be affected by these interests and it was not considered necessary for anyone to withdraw from the meeting.

B18/87 MINUTES AND MATTERS ARISING

The minutes of the meeting held on 12 July 2018 were approved as an accurate record (a signed copy is filed in the minute book).

B18/88 **B18/61** **It was noted that the cross referencing between strategies and development of KPIs and monitoring arrangements was ongoing and would be explored further in the Principal's Report – First Impressions.**

B18/89 MEMBERSHIP AND GOVERNANCE MATTERS **(A copy of document 4i is filed in the minute book)**

The chair welcomed new members – Ann Corrigan and Colin Forrest – to their first meeting.

B18/90 The Board considered and approved the draft Order of Business for 2018/19 noting that as a number of areas were still developing/emerging the document was likely to change to some extent as the year progressed. Members explored how time for strategic consideration was factored into the plan and agreed that as in previous years a separate strategic planning/review session should be scheduled.

B18/91 The Board considered and approved a range of membership matters. Members considered the current method of new governor recruitment and agreed that the approach of combining the development of independent members of committees, identifying individuals with specific skills and networks and openly advertised recruitment campaigns was effective and appropriate.

B18/92 The Board considered the draft AoC Code of Remuneration, noting that the proposed code was currently open for consultation with responses required by 23 November 2018. The Board welcomed the introduction of a code for the sector, noted that it had taken the CUC code for HE institutions into consideration in its recent recruitment of a new principal and agreed that once the code was finalised it should be considered by the Remuneration Committee to ensure appropriate

compliance. The Board noted that it would be required to appoint as new chair to the Remuneration Committee as this role was currently undertaken by the Co-chair of the Board of governors.

- Resolved:**
- i That the Order of Business for 2018/19 be approved.**
 - ii That a strategic planning/review session be scheduled for 2019.**
 - iii That the appointment of Yultan Mellor as an ex-officio member of the Board of Governors from 20 August 2018 be noted.**
 - iv That Yultan Mellor be appointed as a member of the Policy and Finance, Quality and Search Committees.**
 - v That Chloe Rendell be appointed as an independent member of the Quality Committee for a four-year term of office from 3 December 2018 to 2 December 2022.**
 - vi That Seb Schmoller be appointed as an independent member of the Audit Committee for a four-year term of office from 12 November 2018 to 11 November 2022.**
 - vii That once finalised the Colleges' Senior Staff Remuneration Code be considered by the Remuneration Committee.**

B18/93 **COMMITTEE PRIORITIES 2018/19**

The chairs of the Board's committees outlined their priorities for 2018/19.

- B18/94** The chair of the Policy and Finance Committee outlined the priorities for the committee as being:
- On-going monitoring of College performance in relation to areas of policy and finance, with a focus on areas where expectations were not being met or where there were particular risks and/or opportunities;
 - Considering strategic questions regarding the culture of the College, particularly in relation to its current strong financial position and opportunities for investment in development and growth;
 - Addressing key threats, for example future devolution and its potential impact on the College;
 - Managing the balance between challenge and support for the executive of the College.
- B18/95** The chair of the Quality Committee outlined the priorities for the committee as being:
- On-going monitoring of the College's performance in relation to quality, with a particular focus on outputs and outcomes;
 - Oversight of the College's higher education provision and the further development of the framework for this;
 - Preparing for Ofsted;
 - Oversight of key improvement areas in the College quality improvement plan;
 - Ensuring that the College's areas of outstanding performance are explicitly acknowledged and not simply taken for granted.
- B18/96** The chair of the Audit Committee outlined the priorities for the committee as being:
- Maintaining the regular business of the committee and the monitoring of the College's core functions;
 - Oversight of the effective management and delivery of the College's strategic plans and development and investment work, including whether the right strategies are in place and are appropriate outputs being achieved.
- B18/97** The chair of the Search Committee outlined the priorities for the committee as being:
- Continuing to ensure that the College's governance arrangements are effective with a particular focus on membership diversity.

Resolved: i That the report be noted.

ITEMS FOR DISCUSSION AND APPROVAL

B18/98 THE PRINCIPAL'S REPORT – FIRST IMPRESSIONS

(A copy of document 6i is filed in the minute book)

The Board received a report from the Principal which outlined her first impressions on being appointed to the role, this included reflections on:

- the national profile of the College;
- links with stakeholders;
- partnership development;
- threats and opportunities;
- diversifying the College's income and developing the curriculum;
- innovation and new provision;
- business systems development;
- branding and marketing;
- preparation for Ofsted;
- opportunities with the National Trust.

B18/99 The Board particularly:

- Explored the implications and timeframe for devolution;
- Considered opportunities for the College in the area of social care and health and agreed that these should be explored further;
- Explored opportunities around digital inclusion and the College's work around mental health.

B18/100 A number of recommendations were outlined and these were supported by the Board:

- That the Principal reconfirms the strategic themes as being those that the College wishes to maintain.
- That the Leadership Team ensures each of the resulting strategies links back to the key themes and sets SMART targets that governors can monitor progress towards at future meetings;
- That the Principal continues to develop opportunities linked to the 3 themes and works with the Leadership Team to plan how to involve staff across the College;
- That the Board agree with the focus on teaching, learning and assessment and approve the engagement of an inspector to carry out an 'Inspection Healthcheck';
- That the Leadership Team prioritise the need to review and update business systems with proposals coming to future Board meetings for discussion and approval;
- That the Principal and Board consider engaging external support to develop a Marketing Strategy and Plan (to include branding);
- That the Principal, supported by the Vice Principal and Head of Estates, continues to develop the relationship with the National Trust with a target of a summer 2019 opening;
- That the Board recognise the need to review the College structure to ensure it is fit for purpose and the Principal brings a developed proposal to a future meeting. Once the long term structure is established, clarity regarding roles and expectations will be set.

B18/101 It was agreed that the Principal should meet with governors on an individual basis over the coming year.

- Resolved:**
- i That opportunities in the area of social care and health be explored further.**
 - ii That the recommendations outlined in the Principal's First Impressions report be further developed and where appropriate referred to the Board of Governors for consideration.**
 - iii That the Principal meet with governors on an individual basis over the coming year.**

B18/102 **FINANCIAL MATTERS****(A copy of document 7i is filed in the minute book)**The Board considered the **Draft Management Accounts to 31 July 2018** and noted that:

- The draft surplus for 2017/18 was at 2.9% (£147K), which was slightly above the 2.5% target;
- The reports remained draft and further changes could still be required, particularly in relation to the ESFA reconciliation;
- There was approximately £17K of outstanding income to be accrued for in relation to the Sheffield Local Authority;
- The College had provided a contingent liability which it had estimated at approximately £81K in relation to potential clawback from the ESFA, this was due to under spend of the Adult Learning Loans Allocation and Bursary funding;
- There was the potential for the College to receive an overpayment relating to over delivery and the treatment of this in the accounts would depend on the timing of its receipt as in previous years;
- The College's defined benefit obligations in relation to the local government pension scheme had once again changed substantially, seeing a reduction of £1M, with a corresponding improvement shown in the balance sheet;
- Pay expenditure for the year was below budget, despite the College delivering growth and implementing an APT&C pay award.

B18/103 The Board noted that as in previous years the figures reported in the College's published financial statements for 2017/18 would be different to the figures reported in the management accounts due to the accounting treatment of pension adjustments. It was reported that the financial statements would report a position which was close to break even.

B18/104 The Board considered the position regarding the pensions reserves in more detail, noting the lack of predictability in valuation figures and agreed that whilst this was challenging to manage the College's overall financial position was stable and healthy.

B18/105 The Board noted that the College's cash days position was very healthy.

B18/106 The Board received a verbal update regarding student recruitment to date in 2018/19. It was noted that this was in light of lower than target recruitment to the diploma and HE programmes in 2017/18 and a subsequent review into what could be implemented to improve recruitment for future years. It was reported that:

- To date 72 students had enrolled on the Level 3 Diploma for 2018/19 which was the highest level for a number of years;
- In light of this the College would be making an application to the ESFA for additional Adult Learning Loans Bursary funding;
- The teacher education programmes had already recruited to target and were continuing to recruit, and could potentially exceed their target by 8 students;
- There was a substantial increase in the number of students under the age of 24 recruited to the Diploma and this would be a significant change for the College, however so far the students had settled in well, were focussed on their studies and were mixing well;
- The Level 2 Diploma had recruited 17 students against a target of 14, and a further 23 students who had applied to the course but were not yet ready had gone on to access other provision in the College;
- Recruitment to short courses was buoyant in the area of community provision, but it was very early in the year for this area of work;
- Recruitment to the foundation short courses was not as positive, with a significant number of cancellations of courses in September. It was noted that analysis had shown that this was a recurring position and the College would therefore be reconsidering what its offer would be in this area for September in future years.

B18/107 The Board welcomed the very positive position reported and the work commissioned by the Policy and Finance Committee regarding analysis and lessons to be learnt. The Board particularly

welcomed the reassuring performance in HE recruitment as this was an area that the College had targeted for further future growth.

B18/108 The Board considered the draft **Corporate Governance Statement and Statement of Governing Body's Responsibilities** to be included in the Financial Statements for 2017/18. No changes were proposed.

Resolved: i That the report be noted.

B18/109 **QUALITY STRATEGY 2018/19**
(A copy of document 8i is filed in the minute book)

The Board considered and approved the Quality Strategy for 2018/19 which had been reviewed and updated by the Quality Committee. It was noted that the strategy set out the College's quality assurance and improvement principles and the framework for implementation and monitoring. The Board:

- Explored the relationship with the Office for Students (OfS) and how its regulatory principles would be taken into consideration, noting that this would be overseen by the Quality Committee;
- Noted that this was not a new document, but a development of a long standing approach which would be subject to significant review during the forthcoming year.

Resolved: i That the Quality Strategy for 2018/19 be approved.

B18/110 **HE MATTERS - OfS Quality Assessment Return – Governor Assurance Statement**
(A copy of document 9i is filed in the minute book)

The Board considered a proposal that should submission to OfS be required approval of the Quality Assessment Return – Governor Assurance Statement 2018 be delegated to the Quality Committee. It was noted that to support their consideration and approval the Quality Committee would be provided with:

- A QAA action plan progress report;
- The HE performance dashboard for 2017/18;
- The HE Annual Report for 2017/18.

Resolved: i That the approval of the 2018 OfS Annual Quality Assurance Return be delegated to the Quality Committee.

B18/111 **RISK MANAGEMENT AND ASURANCES – KEY STRATEGIC RISKS**
(A copy of document 10i is filed in the minute book)

The Board considered the Risk Register – Key Strategic Risks and noted that:

- In light of the recruitment to date in 2018/19 the Leadership Team would be reconsidering the scoring of F1 - Failure to draw down Adult Learning Loans Bursary funding leading to loss of ESFA funding;
- E1 - Major blockage in the college drainage system – had been updated to reflect that a contingency procedure was now in place;
- The Policy and Finance Committee had committed to considering in detail how the risk related to devolution is being mitigated and had asked the College to consider F1 and F2 in detail and particularly whether they were now overstated.

B18/112 The Board considered F1 and agreed that as the risk was on-going the controls and scoring should take into account long term student recruitment patterns and not just those of any single year.

B18/113 The Board explored the previously reported underspend on the capital budget and whether there was any impact in terms of risk. The Board was assured that all planned projects had been completed.

Resolved: i That the risk register be noted.

ITEMS FOR INFORMATION**B18/114 PROPERTY MATTERS UPDATE****(A copy of document 11i is filed in the minute book)**

The Board received an update regarding the outcomes of the quinquennial survey carried out on the main house and information regarding the outcome of the subsequent survey and report prepared on the condition of the vaulted ceiling within the Long Gallery.

B18/115 REPORTS FROM COMMITTEES**(A copy of document 12i is filed in the minute book)**

The Board received and noted minutes from the following meetings:

- Search Committee – 31 May 2018
- Audit Committee – 18 June 2018
- Policy and Finance Committee – 21 June 2018
- Quality Committee – 21 June 2018

B18/116 INFORMATION FROM THE SECTOR**(A copy of document 13i is filed in the minute book)**

The Board received the following information from the sector:

- 2030 and beyond: An upgraded Post-18 education system – a paper prepared by the Association of Colleges setting out a vision for the Government's Post-18 Education and Funding Review.

CONFIDENTIAL MATTERS**B18/117 CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING**

The Board approved the confidential minutes of the meeting held on 12 July 2018 (a signed copy is filed in the confidential minute book).

B18/118 CONFIDENTIAL REPORTS FROM COMMITTEES**A copy of document 15i is filed in the minute book)**

The Board received and noted confidential minutes from the following meetings:

- Policy and Finance Committee – 21 June 2018
- Audit Committee – 18 June 2018

B18/119 GARDENS AND PARKLAND – FUTURE ARRANGEMENTS**(A copy of document 16i is filed in the minute book)**

The Board considered a report which provided an update regarding progress with legal arrangements relating to the winding up of the Wentworth Castle and Stainborough Park Heritage Trust and the takeover of the park and gardens by the National Trust. It was reported that:

- The position regarding the National Trust was no longer confidential as a public announcement regarding their intention to take over the site had been made on 21 September 2018;
- Negotiations regarding legal documentation were on-going and a number of work streams had been agreed to support progress;
- Clearance for the proposed transfer arrangements had been received from both DCMS and the Charity Commission;
- Key issues to be addressed in the on-going negotiations related to treatment of the 99-year lease, the bio-bubble, on-going maintenance of buildings and general legal obligations and specific areas of compromise;
- The next key milestone would be agreement of leases.

B18/120 It was reported that the Policy and Finance Committee had considered issues regarding a third party imposing legal conditions on the College regarding maintenance of its buildings and had agreed that such conditions could potentially be unreasonable and negotiation should be carefully undertaken to ensure that the College was not placed under any undue burden in this area.

B18/121 The Board noted that the timeline for approval and signing of the lease documentation remained fluid, and it was unlikely that final documents would be available for approval and signature prior to the next meeting of the Board of Governors in December 2018. However, in order to facilitate timely progress the Board agreed an option to convene a 'virtual meeting' to consider this matter as a single item prior to its regular meeting in December 2018.

Resolved: i **That the option to convene a 'virtual meeting' of the Board of Governors to consider lease arrangements for the gardens and parklands, prior to the scheduled meeting in December 2018, be approved.**

DATE OF THE NEXT MEETING

B18/122 The AGM of the Company and the next meeting of the Board of governors will take place on **Thursday 13 December 2018** at 11.00am.

Signed		Date	
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