

**EASTLEIGH COLLEGE BOARD
25 MARCH 2015**

**Minutes of the Full Board Meeting
Wednesday 10 December 2014, 1700hrs, Red Carpet Restaurant**

Present:

Paul Quigley (Chair)
Gail Thomas
Paul Sahota
Angela Cross-Durrant
Colin Davidovitz
Shirley Nellthorpe
Verona Hall
Helen Hills
Julie Richmond
Sean Woodward

Steven Johnson
Jan Edrich (Chief Executive and Principal)
Kathryn Rankin
John Course
Alex Parmley
Daniel Lowe
Dale Lyons

In Attendance:

Katy Quinn, Deputy Chief Executive (Director of Teaching & Learning)
Rob Jarvis, Finance Director
Chris Davis, Clerk to the Board

B.32.14 GOVERNORS' MEETING TIME WITHOUT SMT

B.33.14 MEMBERSHIP & BOARD MATTERS

i Apologies

Apologies were received from Jon Sendell.

ii Declarations of Interests

Mr Quigley asked the Governors to declare any interests they may have on any agenda items. The Clerk referred all Staff members and Students to agenda item 6a with regard to the Staff pay review. There were no other interests declared by those present.

iii Minutes of the Last Meeting

The minutes of the meeting held on 17 September 2014 were agreed and signed as a true and accurate record.

iv Matters Arising

With regard to the action for an appointment of Chair to Audit Committee, this would be discussed at agenda item 2 ix. There were no further matters arising.

v Review Committee Membership & Terms of Reference

The Board agreed Committee Membership & Terms of Reference.

It was agreed that:

The Board's Operation and membership be approved and the committee membership was also agreed.

vi 12 Month Appraisal for Shirley Nellthorpe & Gail Thomas

Mr Quigley confirmed a 12 month appraisal was due to be considered for Miss Nellthorpe and Mrs Thomas. It was agreed that the two Governors be confirmed on the Board for the duration of their term of office.

vii Further 4 year Term of Office of John Course

The Board approved a further 4-year term of office for Mr Course.

viii Appointment of Governors

Mr Quigley asked for the Boards approval for Mr Alex Parmley (Governor in waiting), Julie Richmond (Staff Governor) and Dale Lyons (Student Governor).

It was agreed that:

Alex Parmley, Julie Richmond and Dale Lyons take up their positions as Governors.

ix Chair of Audit Committee

Mr Quigley advised the Board that Mrs Katherine Rankin had offered her services as Chair to the Audit Committee.

It was agreed that:

Mrs Rankin would take over as Chair to Audit Committee.

B.34.14 GOVERNORS' MONTHLY REPORT – OCTOBER 2014

i Financial Aspects

Mr Jarvis reported that the detailed business case submitted to the Solent LEP had been well received. This will now be professionally reviewed over the next few weeks, with an expected decision in January 2015. There is however a slight complication in the process with a public consultation now having to take place, with a decision on the final grant expected in early March 2015. This should coincide with the planning application, which was positively received at the recent meeting with the Borough's planning committee. Further discussion took place regarding the risks involved and Mr Jarvis confirmed that those risks were manageable. Fees payable for professional services would be kept to a minimum until confirmation was received.

Mr Jarvis drew Governors' attention to the Management accounts and the forecast Historic Cost Surplus which is £224k. The reduction was as a result of the LEP funding, which was budgeted for, now not being made available until 2015/16.

There were no further questions.

ii Safeguarding Update

Dr Edrich advised the Board that there had been a lot interest recently with regard to radicalization within Schools and Colleges. There has been no formal guidance for FE Colleges, however this is expected shortly. She went on to outline the Colleges three prong approach to radicalization, firstly looking at the requirements within a sub contractors contract, secondly our own staff procedures and thirdly the procedures regarding our students and tutorial system.

Mr Woodward asked a question about people applying to the College with criminal records and was there a blanket refusal to anyone with a criminal record? Dr Edrich responded by saying that each case is looked at individually and depending on the nature of the disclosure, the normal route of procedure is through the probation service. The College judgement and decision is always made with respect to the risks to Safeguarding.

iii Equality & Diversity Update

Dr Edrich reported that the new data sets had been included in the monthly report. These will be evaluated before going to the Equality and Diversity Board.

Dr Edrich also explained that there had been intensive training with regard to the teaching observation process, imbedding best practise in Equality and Diversity.

B.35.14 TO REVIEW

i **Audit Committee**

a) Audit Committee Minutes 12/11/14

Governors noted the Audit committee minutes.

b) Audit Committee Annual Report 2013/14

Mr Jarvis reported that the report now met the new requirements of JACOP part 2. The report concluded that the College has an effective system of internal control and that risks are effectively managed. It was noted that there is ample evidence of there being effective systems in place.

It was agreed:

To approve the Audit Committee Annual report 2013/14.

c) Audit Committee Operations and Terms of Reference

Mrs Rankin reported that the only amendment to the terms of reference was with regard to the Chief Executive and Principal's title change.

Mrs Hall made an observation regarding membership 4.2 and specifically the quorum of two members for general business and three members for policies What was the rationale behind this policy?

Mr Johnson also enquired about membership and specifically the need for the Staff Governor to have significant managerial responsibility. He asked why this wording had been taken out from item 4.1.

Action: ChD

It was agreed:

To approve the amended Audit committee Operation and Terms of Reference.

d) Internal Audit Annual Report 2013/14

Mrs Rankin reported that nine areas were audited during the year. Internal audit concluded that Eastleigh College had four substantial assurances and five adequate assurances within the framework that is operating in practice, with no significant recommendations being made.

It was agreed:

To approve the Internal Audit Annual Report 2013/14.

e) External Audit Management Report 2013/14

Mrs Rankin advised there were no significant matters to draw to Governors' attention.

It was agreed:

To approve the External Audit Management Report 2013/14.

f) Risk Management Policy

Mrs Rankin advised the Board that there were no significant changes to the Policy.

Mr Johnson asked for 'opportunities' to be embedded in everything the College does. He said that it was equally important to maximise the opportunities and well as minimizing the risks. He believed the Risk management process was the place to evaluate these opportunities.

The SMT confirmed that this was already a process, which was fundamental in everything the College does. New opportunities were considered on a monthly basis at Business SMT. Mr Jarvis said that it can already be found in the Management account text already contains a paragraph outlining opportunity areas being investigated.

It was agreed:

To approve the Risk Management Policy.

The Clerk was asked to advise Governors of dates of Risk Management Board

Action: ChD

ii Finance & General Purpose Committee

a) Finance & General Purpose committee minutes – 19/11/14

Mr Quigley brought Governors attention to the agenda item regarding Terrorism insurance and whether or not the College should take out a specific policy to cover an act of terrorism. The view of the F&GP committee was that it should be brought to the full Board meeting for a decision. Mr Jarvis was asked to give an overview of the policy and explained that the buildings policy does not cover the College for an act of terrorism. A discussion followed on the merits or otherwise of taking out such a policy. The Board felt that the risk to the College of a terrorist attack was low and voted accordingly not to take out terrorism insurance.

Governors noted the Finance & General Purposes committee minutes 19/11/14.

b) Finance & General Purposes Terms of Reference

Mr Quigley advised the Board that there were no changes to this document.

It was agreed:

To approve the Finance & General Purposes Terms of Reference.

c) Financial Statements 2013/14

Mr Jarvis drew Governors' attention to the summary of the statement which highlighted the operating surplus/deficit for the year of £621k. This was largely as a result of charging two significant items; the restructuring costs and the exceptional refinancing costs which gave the College a net underlying deficit of £194k. His report drew attention to the fact that significant action had now been taken to resolve staff costs. Overall the performance of the College is 'Satisfactory' within the SFA's financial health category.

It was agreed:

To approve the Financial Statements for 2013/14.

d) Representation Letters

Mr Jarvis advised that the representation letters were for Governors to sign off to confirm that the College keeps accurate financial records and that all relevant issues had been disclosed to the auditors.

It was agreed:

To approve the Representation Letters.

Mr Johnson enquired whether two management and representation letters were really necessary? Mr Jarvis said he would consult with the auditors to clarify this situation.

Post Meeting Note: Baker Tilly UK Audit LLP separate the letters because the regularity management is tripartite (involving the SFA), where as the financial engagement is between Baker Tilly UK Audit LLP and the College only.

Action: RJ

e) Engagement Letter

The contents of the Engagement Letter were noted.

f) Sub-Contractor Working Strategy

Mr Jarvis explained that this strategy had been updated and the name changed. The wording of the strategy now reflected how the College operates with its sub-contractors in practice.

Mr Course stated that the use of the word 'partners' was still present in the strategy and that there was a need for clarity and consistency.

Mr Jarvis said he would resolve this issue.

Action: RJ

A discussion took place over Targets and why the wording had changed from a specific target, to a more indefinite wording. It was felt that due to the present funding mechanism continually changing and on-going funding reductions whilst growth is an aspiration. It was felt that the present strategy recognises the reality of the current situation.

Mrs Cross-Durrant felt that some of the targets needed to be classified as objectives and Mr Jarvis agreed that he would take this a way and look at it.

Action: RJ

iii Standards Committee

a) Standards Committee minutes – 26/11/14

Mr Course reported that the Data Sub-Group had met and was now reporting on the data back to the Standards Committee. He also commented on the Teaching Observation process which he said needs refining to make it more robust with more level of a consistency in the judgements given.

Governors noted the Standards committee minutes 26/11/14.

b) Standards Committee Terms of Reference

This would be an agenda item at the next Board meeting.

Action: ChD

c) FE Commissioners Letter 17/10/2014

Mrs Hall made an observation that the statement, "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" should be seen by all Governors as a prime focus.

Governors noted the FE Commissioners Letter 17/10/2014.

iv Search Committee

a) Search Committee minutes – 3/10/14

Governors noted the Search committee minutes.

b) Search Committee Terms of Reference

There were no changes to this document.

It was agreed:

To approve the Search Committee Terms of Reference.

v Eastleigh College Ltd

a) Eastleigh College Limited minutes – 10/12/14

Mr Quigley gave a verbal report on the meeting that had taken place at 1600. He advised that the accounts had been audited and approved.

Governors noted the Eastleigh College Ltd minutes 10/12/14.

B.36.14 REPORTS, POLICIES & STRATEGIES

a) Annual E&D Report

Mrs Quinn advised the Board on the range of activities, top-level outcomes and information regarding staff age groups.

Mrs Cross-Durrant queried the information given in the penultimate bullet on page 179 regarding staff age groups. Dr Edrich said that the bullet point needed expanding and clarifying with more background information.

Action: KQ

It was agreed:

To approve the Annual E&D Report subject to the amendments identified.

b) Eastleigh College Business Objectives and Strategy 2015 – 2017 (Linsey Withers entered the room)

Dr Edrich reported that the strategy had been updated since the Governors first saw the document at the previous Board meeting in September. She went on to say that it needs a high-level business plan to underpin all the other action plans. Within this up-dated document business and financial objectives have been identified succinctly. The driving force is high quality industry training, which fits with the Solent LEP strategy and aligns with the ambitions of Eastleigh Borough Council.

Mr Course said that the wording in the fifth bullet of the opening paragraph needed changing, as he felt that not all companies were looking to expand but they were all looking to improve their competitiveness.

Further discussion took place over the strategic level the paper was aimed at. The overarching financial objective is to remain financially viable within the financial constraints being placed on the College, underpinned by a number of financial objectives aimed at maintaining a healthy cash position. The way in which the Board would monitor the success and provide support was discussed. The Board were supportive of the underlying themes in the strategy and felt it was the right strategy to adopt despite the uncertainty of the economic circumstances.

Governors received Eastleigh College Business Objectives and Strategy 2015–2017.

c) Marketing Strategy

Dr Edrich reported that the College had recently taken the opportunity to work with a marketing consultant on various issues related to the College's marketing strategy, producing one coherent platform to work from. This is a live document, which will be taken to the whole staff team in early January for feedback and comment.

Discussion followed particularly regarding the importance of clearly linking the marketing strategy to the College's strategic objectives.

Dr Edrich finished by saying that she was going to move the strategy forward with the Board's agreement and an update would be provided at the next Board meeting.

Governors received the Marketing Strategy.

Action: JE/ChD

Lynsey Withers left the meeting.

B.37.14 TO CONSIDER

See confidential addendum.

B.38.14 ANNUAL AWARDS EVENT REVIEW

Dr Edrich reported on a highly successful Awards event held at the Concorde Club on the 25 November 2014. She went on to say that the event was thoroughly enjoyable and well received by staff, students and family members. Board members who attended also confirmed the success of the new format. Mr Quigley congratulated all the staff who were responsible for the success of the evening.

B.39.14 NEXT MEETING

Wednesday 25 March 2015, 1700 in the Red Carpet

Agenda Items:

- Standards Committee Operations and ToRs
- Governors' Monthly Report – financial, safeguarding & E&D updates
- College Self Assessment Report 2013-14 & Quality Improvement Plan
- Attendance register
- Student Governors' Strategic Issues
- Safeguarding Strategy – to approve
- Financial Regulations - to approve
- Apprenticeship Support Strategy – to approve
- Curriculum Strategy
- Marketing Strategy update

Mr Johnson asked if terms of reference for committees needed to be reviewed annually. The Clerk was asked to investigate this and report back to the Chairman.

Action: ChD

There be no further business the meeting finished at 1915.