

Present

Dr G Robson	Chairman
Mr K Goldsborough	Independent Member
Mr T Bailey	Independent Member
Mr D Hughes	Independent Member
Mr P Smith	Independent Member
Miss A Norris	Independent Member
Mrs S Fawcett	Independent Member
Professor J Rapley	Independent Member
Professor R Simmons	Independent Member
Mr I Butchart	Independent Member
Mr I Swain	Independent Member
Ms E Hardwick	Staff Member
Miss I Carroll	Student Member
Dr M Raby	Principal

In attendance

Mr S Slorach	Vice Principal Resources
Mr P Chapman	Vice Principal Employability & External Relations
Mr J Waddington	Vice Principal Student Experience
Mr P Trotter	Co-opted Member

18.089	<u>WELCOME AND INTRODUCTIONS</u> The Chairman welcomed members to the meeting.	Action
18.090	<u>APOLOGIES FOR ABSENCE</u> Apologies of absence were received from Mrs White, Clerk & Governance Advisor, Ms R Hare and Ms J Havakin Staff Governors. Members noted that Ms R Wilkinson Student Governor who had resigned.	
18.091	<u>QUORUM</u> The meeting was quorate in line with standing order 8.1 Meetings of the Corporation Board and its committees shall be quorate when 40% of the total membership of the Governing Body or its committee, excluding vacancies, is present, except where otherwise stated within the terms of reference for that committee.	
18.092	<u>DECLARATION OF INTEREST</u> There were no further declarations made.	

18.093

UNCONFIRMED MINUTES OF THE MEETING HELD ON 8 FEBRUARY 2019

The minutes of the previous meeting held on 8 February 2019 were agreed as an accurate record subject to the following amendments:

Page 1, In attendance, Ms S Fawcett – was not in attendance and had sent apologies

Page 3, 18.077, Principal's Report, Mr Hughes questioned whether there was anything the School could do to encourage others in the market to be less distinctive – Mr Hughes informed that this statement was in reference to how the School could encourage other providers to withdraw from the same market as the School.

Clerk

18.094

MATTERS ARISING

The following matters were updated:

18.080 - HE APPLICATIONS – the Vice Principal Employability and External Relations advised that the School had reviewed UCAS and undertaken a search across key words for all programmes and made sure they are as effective as possible. He advised that there is nothing we can do about the name

18.081 - RISK MANAGEMENT POLICY – Mr Swain updated members that the Audit Committee had considered the issues raised by the Board and can advise that there are a number of ways in which risks to the School are raised and discussed at the Board which included the Principal's report and the agenda template which allowed new risks to be highlighted. Mr Swain informed that the Committee had discussed the risk register and agreed that we will reflect the different types risk such as internal / external and the register will be developed in this way going forward. Members noted that the Committee suggested the risk register is added as a standing item to the Board agenda each meeting to give an opportunity to consider what has been added and what might go on and cover any residual risks that we haven't discussed within the Principal's report. Mr Swain advised that members will be aware of the significant risks facing the college which relate to the capital projects and this will be a feature of the next few meetings.

The Principal added that the risk register will be a key discussion item at the May strategy day and members will look at risk in the context of what we have discussed in terms of direction of travel.

Mr Butchart thanked Mr Swain for the update and commented that it will be good at the strategy day to get into the risk appetite and details.

18.095

MEMBERS UPDATE

The Chairman offered members the opportunity to provide an update on issues not covered under the agenda.

Mr Trotter informed that he had met with his buddy on Monday and had had a useful session primarily discussing the overarching employment policy document which Amy would be developing. Mr Trotter discussed that the extent to which the Board is looking at that document or which elements will need to be considered.

Mr Bailey advised that he had met with his buddies and discussed progress with the capital programme project.

Mr Smith advised that he had met with his buddy in finance and discussed the level of financial expertise on the board. Clare, his buddy, was well informed and discussed the challenges of the School and the Board. Mr Smith commented that they discussed student numbers and finance and discussed the strategy. Finally Mr Smith advised that the team was nice and enjoying working for the School.

Professor Simmons revealed that he had met with Paul Braine and Carol Harris, and discussed development of the MA programmes and the challenges and opportunities of offering this. They discussed logistics and current and future markets, course content etc. Professor Simmons informed members that his meeting was informative and interesting. Potentially a positive thing going forward.

Ms Norris discussed that she had met with her buddies and was encouraged by the new student assemblies practice and students being heard.

Mr Goldsborough commented that he had met with his buddies and discussed UCAS data and competitor institutions and how we look at this at course and institution level. They also covered current and future marketing activities and marketing KPIs. They will have a follow up meeting to discuss these in more detail. More events and face to face contact would make a difference to the marketing team.

Mr Swain and Mr Hughes met jointly with their buddy and discussed new build for FE and frustrations around this. They also discussed recruitment challenges and the potential for film and TV to help mitigate some of the shortfalls. Their conversation around the progression from FE to HE was a positive discussion. They also talked of the positive approach to MIDES improvement in English.

Mrs Fawcett discussed that she had attended a positive event at an open event of the empty shop in Hartlepool. This was a contemporary and fine art exhibition. She applauded the splendid creativity and visited the textiles exhibition, which was also great. Mrs Fawcett informed members that she had met with her buddy and attended a number of safeguarding and E and D meetings last week. Mrs Fawcett advised that there was a need to update the Board on changes to Safeguarding and it was confirmed that it was scheduled in to the April 2019 Board

meeting. There will be a safeguarding update at April 2019 meeting. Finally a member of the student services team mentioned the enthusiasm of the Board in relation to staff welfare and asked how can the Board get more involved in Well Being?

Mr Butchart commented that he had had a chat with his buddy last night. He took the opportunity to have a look round the School in particular textiles and felt heartened to see the transition programme and information on safeguarding for students.

Mr Hughes informed that he had enjoyed the Orient Express exhibition. In addition to Mr Swain's update, Mr Hughes advised that his buddy was aware of budgetary constraints but doesn't feel stressed by this nor felt there was an impact on student experience. With regard to E&D, his buddy felt the students' understanding of this was good and managed well.

The Chair commented that he had visited photography to gift to the School a drone for the photography programme.

18.096 **PRINCIPAL'S REPORT**

Confidential report.

The Corporation Board NOTED the Principal's report

18.097 **KPIs**

The Vice Principal Resources referred members to the previously circulated report and drew member's attention to as of 15 January 2019 we were significantly below the HE target of 766 at the UCAS decision date. As at 25 February 2019 there were 538 HE applications and 270 FE applications. Attendance and retention data for current students is good. Staff sickness remains below target at 3.4%

Mr Trotter commented that low level staff absence is good and he assumed this is due to the management of this and the Vice Principal Resources commented that there are good processes in place to support staff whilst off sick.

The Corporation Board RECEIVED the KPI update for information.

18.098 **MANAGEMENT ACCOUNTS MONTH DECEMBER 2018**

The Vice Principal Resources referred members to his previously circulated report and highlighted that the year to date figures after 6 months' trading show an improvement of £39k against the forecast deficit (approved in December).

This is largely as the result of better than expected in-year retention at HE. Expenditure includes an unexpected council tax bill that is £45k over what was forecast for the Church Street campus.

A revised forecast is being presented to the Corporation Board at this meeting which incorporates the above items which meets the banking covenants that are in place with Barclays Bank and sees an improvement in the ESFA financial health from 'Satisfactory' to 'Good'

Cash balances as at the end of January 2019 are £496k compared to a forecast position of £354k. Currently cash balances stand at £1,050k as the second instalment funding from Student Finance England has been received.

Mr Smith questioned whether the School have been accruing council tax liability for these buildings and asked what would the annual bill be, the Vice Principal Resources confirmed that he had and the annual bill would be around £120k.

The Corporation Board NOTED the Management Accounts

18.099

MID YEAR FINANCIAL REVIEW

The Vice Principal Resource updated members as to the projected outturn of the College for the current financial year. As is ever the case the Budget was set at a time when recruitment figures were not known and many projects not yet started or even envisaged. This review allows the Governors to see the latest projections for the full year outturn based on the most up to date information the School has available.

There has been considerable focus this year on the banking covenants and ESFA Financial Health rating. This forecast outturn meets the requirements of the School's banking covenants and improves the financial health rating from 'Satisfactory' to 'Good'. This is very tight but is being actively managed by the Principalship. The School is expecting to temporarily repay £1m of its debt back to Barclays, as in 2018, based on what is considered excess to requirements over the summer period.

Currently the College is projecting an operating loss of £15k for the 2018/19 with an EBITDA of £527k (Earnings Before Interest Taxation Depreciation and Amortisation) and a Comprehensive Income of £56k.

Mrs Fawcett questioned whether council tax is going to be an ongoing increase and the Vice Principal Resources confirmed it was.

The Principal commented that the School will also need to pay the registration fee to the Office for Students.

The Chairman congratulated the team on the management of the financial position and financial health.

The Corporation Board NOTED the mid year financial review.

18.100

SCHOLARLY ACTIVITY AND RESEARCH

The Principal referred members to the previously circulated report and discussed that within the emerging draft Strategic Plan 2019-2024 the School are likely to include the objective of making an application for Degree Awarding Powers (DAPS), possibly as early as in 2019-2020, although this depends upon the emerging position in terms of regulations and, particularly, the fees associated with an application.

In order to provide a clear understanding of our current position, we are completing the DAPS submission spreadsheet for discussion. The Principalship hasn't reviewed the detail but the position has moved on over the last 12 months and the Principal advised he is encouraged that this is moving forward in the right way.

Mr Smith commented that in his experience if you are materially changing the way that you measure staff, not everyone is going to embrace this, and asked whether the School are seeing staff turnover based on this. The Principal commented that there is variability across the staff cohort and we might see some changes as we focus on some of the issues in relation to this.

Mr Waddington discussed that more staff are telling us they understand this more and see how it links to the strategic aims of the School and equally we are getting a better view of what staff are doing.

Professor Rapley commented that there is a danger in institutions that sometimes it is more difficult to undertake scholarly activity and research in certain areas such as graphics.

Mr Butchart asked whether the list of scholarly activity and research was current and the Principal confirmed it was.

Professor Simmons commented that it is broadly positive and driving this forward, at some future point, there is a decision to make that staff will get further along this line and at that point some Institutions consider appointing a fellow or lecturer.

Mr Hughes asked whether there was an opportunity to share some of this information early with TDAP and the Principal commented that the School could probably do some engagement with them to see where we are in terms of a submission.

Mr Bailey discussed that it is a good exercise for the School to do. Personal development is a tool for encouragement and direction and gaining clarity about individual members of staff

can play into recruitment, as students will like the fact that they are being taught by staff that have done these activities.

The Corporation Board NOTED the Scholarly Activity and research update

18.101

CAPITAL PROGRAMME GROUP TERMS OF REFERENCE

Mr Bailey informed members that the Capital Programme Group had reviewed their terms of reference following a change in membership in which the group are recommending 3 independent members rather than 4. In light of this the quoracy has also been changed to reflect this reduction.

Ms Rapley left the meeting.

Ms Fawcett noted that the terms of reference referred to deputies and asked for clarity on this. Mr Bailey advised that this related to the Local Authority / Combined Authority membership.

Mr Hughes commented that the group should not be disbanded but that it is made dormant.

The Corporation Board APPROVED the revised TOR.

18.102

SUB COMMITTEE MINUTES

Members received for information the following minutes:

Audit Committee – 23 November 2018

Capital Programme – 30 November 2018; 8 February 2019

Academic Board – 17 October 2018, 7 November 2018

Mr Swain confirmed that the internal auditors had withdrawn from the market and confirmed that the existing external auditors will pick up some elements of the internal audit plan with appropriate mechanisms in place to manage the separation between internal and external audit requirements. Mr Swain confirmed the Audit Committee are keeping the arrangements in place for internal audit provision, undertaking some key reviews during the year and use the remainder of the budget to source some additional assurance on controls.

Mr Smith questioned whether RSM would be interested in providing internal audit services and the Vice Principal Resources confirmed they were interested.

Mr Trotter questioned page 4 of the capital programme minutes with regard to the governance arrangements of Dev Co. Mr Trotter asked for clarity on the governance arrangements and it was agreed that a one page summary of what this entailed would be pulled together for the July Board.

Principal /
Clerk

18.103

CONFIDENTIAL ITEMS

The Corporation Board noted that Principals report.

18.104

ANY OTHER BUSINESS

There were no further items of business.

18.105

REVIEW OF THE MEETING

The Chairman gave his thoughts as he ended his term of office with the School. Dr Robson commented that he had really enjoyed himself and that he had met and worked with a great bunch of colleagues. He wished all members the best and thanked the School for the opportunity to Chair the Corporation Board.

The Principal commented that he was extremely grateful for Mr Robson for being part of the Board for the last 12 years. He reflected some comments from stakeholders that Mr Robson had represented the School well during the area review and was very grateful that they could work together through this time. The Principal also reflected on the work of the Hartlepool capital programme and this achievement.

18.106

DATE AND TIME OF NEXT MEETING

The Corporation Board will meet again on Friday 26 April 2019, 12 noon, Board Room, Church Street Hartlepool

Clerk

Signed:

Date: