

**CONFIRMED MINUTES OF THE CORPORATION BOARD HELD
 ON FRIDAY 8 FEBRUARY AT 12.00 IN THE BOARD ROOM,
 CHURCH STREET, HARTLEPOOL**

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
Ms Jane Havakin	Staff Member
Ms Rosie Hare	Staff Member
Ms E Hardwick	Staff Member
Ms Rachel Wilkinson	Student Member
Miss I Carrol	Student Member
Dr M Raby	Principal

In attendance

Mrs J White	Clerk & Governance Advisor
Mr S Slorach	Vice Principal Resources
Mr P Chapman	Vice Principal Employability & External Relations
Mr M Wheaton	Vice Principal HE
Mr P Trotter	Co-opted Member

18.070	<u>WELCOME AND INTRODUCTIONS</u>	Action
	The Chairman welcomed members to the meeting.	
18.071	<u>APOLOGIES FOR ABSENCE</u> Apologies of absence were received from Ms Ogden, Ms Fawcett, Mr Swain, Mr Butchart, Professor Simmons, and Professor Rapley Independent Members.	
18.072	<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.	
18.073	<u>DECLARATION OF INTEREST</u> Declarations of interest were made by Mr Bailey and Mr Smith in relation to agenda item 16.	

18.074 **UNCONFIRMED MINUTES OF THE MEETING HELD ON 14 DECEMBER 2018**

Clerk

The minutes of the previous meeting held on 14 December 2018 were agreed as an accurate record subject to the following amendments:

Page 1, Present – Ms D Ogden
Page 3, 18.051, Corporation Board Review of Effectiveness, 1st para, 2nd line, assesses to be amended to assess
Page 9, 18.058, Student Union Constitution, 3rd para, 5th line, amend does to do

18.075 **MATTERS ARISING**

The following matters were updated:

17.176 - Strategic Objectives - Session to be scheduled on the naming conventions for the School under the rebranding – agreed that this matter will not be progressed.

18.076 **MEMBERS UPDATE**

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

Mr Smith informed the meeting that he had recently observed in the press an Alumni, referred to as an extreme photographer, the Vice Principal Employability and External Relations discussed this was Lucinda (Lucy) Grange who has exhibited in New York.

The Vice Principal HE advised members that the School had received a visit from Emma Hunt, AUB, who attended to discuss the MA provision and members noted that she was complimentary about the School. With regard to the MA provision, there were some conditions to look at for preparing for the validation which were being taken forward.

Mr Bailey advised that he had met with his previous programme buddy and had had a good discussion, passing on some information on course content. Mr Bailey informed that connectivity with staff is important and members should consider how they do this under the new buddy programme.

The Chairman commented that The School had received a good mention in The Economist recently which referred to Ridley Scott, Alumni.

18.077 **PRINCIPAL'S REPORT**

Confidential Report

The Corporation Board NOTED the Principal's report

18.078 **KPIs**

The Vice Principal Resources referred members to the previously circulated report and drew member's attention to

attendance and retention data which is good. Staff sickness remains below target at 3.2%

Mr Hughes questioned how the retention indicators align with the update in the Principals report on retention. The Principal advised that his update related to one particular programme and that there are still problems with retention between years.

The Corporation Board RECEIVED the KPI update for information.

18.079

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 5 months' trading show an adverse variance to the operating deficit forecast of £6k.

Members were reminded that this relates to lower than forecast recruitment numbers at both HE and FE. The lower figures for HE impacts in-year whilst the FE figures mainly impact in the following financial year due to lagged funding, with some impact on the current year.

A revised forecast was approved at the December Board meeting which meets the banking covenants that are in place with Barclays Bank and is included in the management accounts

Cash balances as at the end of December 2018 are £918k compared to a budgeted position of £803k.

The Corporation Board NOTED the Management Accounts

18.080

HE APPLICATIONS

Confidential Report

The Corporation Board NOTED the HE Applications update

18.081

RISK MANAGEMENT POLICY

The Vice Principal Resources presented the Risk Management Policy for Board approval. Members noted that The School continues to monitor key risks on a regular basis in line with the Risk Management Policy. The School as a matter of good practice should consider the Risk Management Policy on an annual basis. One of the main reasons behind this is to enable the board to discuss it's risk appetite and decide on the level of risk that it deems acceptable.

Mr Trotter observed that there was reference to procedure within the document and this should be amended to policy.

Mr Smith questioned how the level of risk is measured and the Vice Principal Resources referred Mr Smith to page 11, which described 5 levels of risk the Board could adopt.

Mr Trotter commented that an open risk appetite feels the best fit, noting that the School have undertaken a lot of innovative projects in the last few years which didn't necessary fit in the description for open, but anything else felt too conservative. The Principal commented that there is a spectrum of different risks and you need to assess every risk as it arises. The Vice Principal Resources commented that the danger is if you have a low risk appetite you put off or avoid some opportunities.

The Chair asked the Board if they were happy that we make ourselves aware of the range of possible risks the School might suffer so we don't put ourselves into a situation that we haven't considered and discussed the financial health position

Mr Bailey commented that we need to be clear about risk - how we take risks and what we are at risk from and these are different things, discussing that an open risk appetite broadly covers these two attitudes. Mr Bailey suggested that the risks be considered using these two approaches. The Chair supported this and suggested that the Audit Committee undertake this process. It was agreed that the Principal, Clerk and Mr Bailey discuss this with Mr Swain, Audit Committee Chair.

Finally, Mr Trotter suggested that the Board consider the risk register more frequently and asked for this to be considered.

The Corporation Board APPROVED the Risk Policy

18.082

RISK MANAGEMENT UPDATE AND RISK REGISTER

The Vice Principal Resources referred members to the key highlights which include:

Key risks to the School over the course of the coming months include:

- Government policy including BREXIT and HE Fees
- Construction project(s)
- Cash flow and banking covenants
- HE recruitment
- FE recruitment
- College name change
- Teaching Excellence Framework

Members are asked to note that there are delays in the ISQ2 project which has meant withdrawing the Events & Exhibition Design BA (Hons) from UCAS

No new risks identified since December Board meeting

Mr Bailey referred members to the risk regarding the change in name, advising that he didn't recall the Board reviewing this as was identified on the risk register. Mr Bailey suggested that the risk be separated out into the three bullet points as each of them needed separate consideration. Mr Hughes advised that the Audit Committee do review the risk register in detail at each

meeting, however the Chair recommended that the Board have a more active role in the management of the risk register, especially those allocated to the Board and this should be communicated to the Chair of the Audit Committee. It was agreed that the Audit Committee should consider how the Board take this forward.

The Corporation Board NOTED the risk register update

18.083

INSTRUMENT AND ARTICLES OF GOVERNMENT

The Clerk referred members to the updated Instrument & Articles of Government and advised members that the Governance & Search Committee had reviewed the I&A and updated them in light of the decision of the Board to have two Vice Chairs.

Section 5, Appointment of the Chair and Vice Chair has been amended to reflect the ability of the Corporation Board to appoint two Vice Chairs and reference to Vice Chair has been amended throughout the document to Vice Chair(s).

The Corporation Board APPROVED the Instrument & Articles of Government

18.084

UPDATE FROM THE GOVERNANCE & SEARCH COMMITTEE

The Chair informed the Board that the Governance & Search Committee had considered the nominations for the Chair and Vice Chair roles.

The Chair advised that two nominations had been received for the two Vice Chair roles, Mr Tim Bailey and Professor Robin Simmons and that one nomination had been received for the Chair role, Mr Smith.

At this point Mr Smith and Mr Bailey left the meeting.

The Chair advised that the Governance & Search Committee were recommending to the Board the appointment of all three nominations.

In addition, the Chair advised that the Governance & Search Committee were recommending that if appointed the incoming Chair and Vice Chairs should commence in March.

The Corporation Board APPROVED the appointment of the Chair and Vice Chairs and agreed that the roles should commence in March.

18.085

CONFIDENTIAL ITEMS

The Corporation Board noted that the Principal's report and item HE applications.

18.086 **ANY OTHER BUSINESS**
There were no further items of business.

18.087 **REVIEW OF THE MEETING**
There were no issues raised with the meeting.

18.088 **DATE AND TIME OF NEXT MEETING**
The Corporation Board will meet again on Friday 15 March
2019, in the Committee Room, Green Lane

Clerk

Signed:

Date: