**Meeting of the Corporation Board**

**Friday 4 February 2022 at 1330hrs**

**Board Room, Hartlepool and Via MS Teams**

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| **Members present:**  Mr P Smith  Dr M Raby  Mr T Bailey  Mrs S Fawcett  Mr K Goldsborough  Professor J Rapley  Professor R Simmons  Mr I Swain  Mr D Hughes  Mrs E Hardwick  Ms J Havakin  Ms G Miller  Mr M Blanshard  Mrs K Baggaley | | PS  MR  TB  SF  KG  JR  RS  IS  DH  EH  JH  GM  MB  KB | Chair  Principal  Independent Member  Independent Member  Independent Member  Independent Member  Independent Member  Independent Member  Independent Member  Staff Member  Staff Member  Independent Member  Independent Member  Independent Member | |
| **In Attendance:** | |  |  | |
| Mr M Wheaton  Mr S Slorach  Mr J Waddington  Mr P Chapman  Mrs L McLaren | | MW  SS  JW  PC LM | VP Strategic Projects  VP Resources  VP Higher Education  VP Employability & External Relations  Head of Governance | |
| **Apologies:**  Mr R Kane | | RK | Staff Member | |
|  |  | | | **Action** | |
| 1. | The Chair opened the meeting at 1330.  Mr Smith welcomed everyone to the meeting. | | |  | |
| 2. | **Apologies for absence**  Apologies were received from Mr Kane. | | |  | |
| 3. | **Group Quorum**  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.” | | |  | |
| 4. | **Declaration of Interests**  The Board noted the Declaration of Interests document.  Dr Raby advised that he had received an invitation from Faithful & Gould to the Stockton Mayors Ball. | | |  | |
| 5. | **Confirmation of minutes from the previous meeting**  The Minutes from the previous meeting held on Friday 10 December, 2021 were **CONFIRMED** by all with three minor amendments. | | |  | |
| 6. | **Matters Arising**  Mr Smith asked Mr Slorach for an update on the VAT issue. Mr Slorach confirmed that the VAT return for December 2021 had been submitted to HMRC in January. To date we have had a call from HMRC asking some high-level question but nothing further. Communications will be done via email and we are waiting on any feedback.  Mr Smith thanked Mr Slorach for the update. | | |  | |
| 7. | **Members Update**  ***Governor Involvement Updates***  Mr Smith advised that he had met with his buddy Olivia Burton who had given him a good overview of her area. One point which was raised related to the Prospectus and the concern it did not contain enough text and staff were not given enough time to provide information. Mr Smith asked for any comments on the prospectus. Mrs Hardwick noted that she was excited by the finished article which looked very much like a journal. Ms Havakin added that staff needed to be involved earlier in the marketing process.  Mrs Fawcett advised she had attended the Ofsted quiz with Mr Smith which was very good. She had also met with Mrs Latcham (Safeguarding Lead) and Carol Money (SEND Coordinator) who were doing very good work and maximising what we could for our students.  Mr Bailey noted that the Northern Studios was getting some positive press.  Ms Baggaley noted she was meeting with her buddy in the coming week and would provide an update at the next meeting.  Ms Miller advised she had met her buddy and it had been productive.  Mr Hughes advised he had met his buddy, Jonny Bussell and had a good discussion. Concern had been raised in relation to the quality of the estate, particularly the building at Church Square, which was noted as having a negative impact on recruitment.  Mr Hughes also updated the Board on his meeting with Nina Yoxall and tour of the Northern Studio. The meeting was very positive and outlined the work still to be done to establish a working studio.  Mr Goldsborough noted that he had met with his buddy which was very constructive and a follow up meeting had been arranged to cover off further points. A tour of the graphic design studio space was good. Overall, a very positive meeting and was also fortunate enough to meet a potential student and their grandparents who were here for an interview and tour. The grandparents were beaming about the School, how good it looked and friendly everyone was. It was a very nice moment.  Professor Rapley advised that she had a very productive meeting with all three buddies. Ms Havakin had been enthusiastic about the Northern Studios and its potential. She also provided an update on the costume archive. There was some concern over the environment of the older buildings in Church Square. Both Ms Havakin and Ms Hemmins raised concern that there was not enough student mental health support particularly with the incoming students feeling very fragile. Ms Hemmins was looking forward to undertaking her PhD studies and added that the staff on the ground had not been involved early enough in marketing activities and the short timescale for information.  Professor Rapley also had a very positive meeting with her FE buddy who was very energetic and positive about the staff’s ability to support the students and desire to get involved in external examiner roles. They also mentioned that the volume of paperwork is currently very high and not enough admin support. Staff and students loved the new building which was great to hear.  Mr Smith thanked everyone for their updates. | | |  | |
| 8. | ***Confidential Item*** | | |  | |
| 9. | **SUSTAINABILITY**  **Confidential Item** | | |  | |
| 10. | **Update on Risk Management & Risk Register**  Mr Slorach presented the Risk Management update and Risk Register to the Board and noted that the OfS Consultation had been added to the register along with ISQ2 and the VAT issue.  The OfS Consultation is reviewing student outcomes, value for money and looking to crack-down on “low quality courses”. If you don’t meet the threshold maximum the worst case would be charging £9k. We would be unable to charge the top up fee of £250. The impact would be around £150k on current students. If we fell into the category of “requires improvement” this would be a significant problem and the OfS have not given further guidance as yet.  B3 Student Outcomes is the weakest area statistically for us, however, the OfS knows that there is significant variation on the data provided.  Mr Chapman gave the Board further information relating to the data and advised that we have an incredibly robust defence on our data and the miscoding’s which have occurred.  The School has submitted the December 2021 VAT return. HMRC have been in touch with some basic questions and we are now awaiting further feedback.  ISQ2 is continuing to experience delays. We expect the Studios utility connections in early March with an overall completion date of April 11th.  Mr Smith thanked Mr Slorach for the update. | | |  | |
| 11. | ***Confidential Item*** | | |  | |
| 12. | **EXCELLENT STUDENT EXPERIENCE**  ***Confidential Item*** | | |  | |
| 13. | **GOVERNANCE AND COMPLIANCE**  **Risk Management Policy**  Mr Slorach presented the Risk Management Policy to the Board. It was noted that this policy is reviewed on an annual basis to assess the Governors/School’s appetite for Risk.  It was noted that in the main the policy remained unchanged. Page 11 outlines the 5 categories of risk. The Board have always adopted an “Open” approach to risk.  Mr Smith asked how does selecting “open” impact Board meetings and management decision making processes. Mr Slorach advised that the Board operates openly, reviewing options and discussing ideas and opportunities which are identified. An example of this would be the development of the Northern Studios. If the Board had been more cautious we would have turned this opportunity down. Governors always provide challenge to ensure discussion and review of opportunities before making a final decision. If we were “hungry” we would be coming up with off the wall ideas.  Mr Swain noted that in the past the Board had been over cautious. We have been open over the last 10 years, however, always have good discussions around matters before a decision is made ensuring the risk is manageable. Mr Swain would recommend continuing in this manner.  Mr Blanshard added that you have to be open to risk and have a balanced approach. Mr Swain agreed and noted that Dr Raby has driven a lot of change and we are a different organisation to 10 years ago. We have experienced short-term difficulties however these are always considered and managed accordingly.  Mr Bailey agreed and added that we should not want to restrict our ability to get involved in things. We need to trust our corporate intelligence and maintain our high level of debate and challenge to ensure we are comfortable.  The Board **agreed** to proceed on an “Open” appetite to risk.  Mr Smith thanked Mr Slorach for the report. | | |  | |
| 14. | **Nominations for Chair of the Corporation Board**  Mrs McLaren presented the Nomination for Chair of the Corporation Board to the Governors. It was noted that all Governors (excluding Mr Smith, Chair) had been asked to provide a nomination. The paper had been discussed by the Governance & Search Committee at its meeting on Friday January 28th and the Committee agreed to recommend Mr Tim Bailey as Chair of the Corporation Board.  Mr Goldsborough concurred with Mrs McLaren and advised that the Committee discussed the nominations and Mr Bailey was the preferred candidate to succeed Mr Smith as Chair.  The Board ratified the nomination and Mr Bailey was confirmed as Chair of the Corporation Board. | | |  | |
| 15. | **Minutes of Sub-Committees**  Mr Smith advised that following the Governance & Search Committee on Friday January 28th the Committee had recommended 2 candidates for the positions of Independent Governor. Natalie Brett who has extensive academic experience, and Dr Elouise Leonard Cross who has extensive HR experience (to replace Phil Trotter who retired in December).  The Committee also met with 3 student candidates, Freya Coulson (FE), Rachel Marsh (HE) and Sarah Webber (HE). The Committee agreed that all candidates should be offered a position of Student Governor.  The Board agreed to move forward with these appointments and noted that their first meeting would be March 11th.  Mr Bailey advised the Board that the Capital Programmes Group would be looking into the delays on the ISQ buildings and will be reviewing matters to see if there are any areas for recompense.  The Board **noted** the update and Minutes of the Sub-Committees. | | |  | |
| 16. | **OTHER MATTERS**  **OfS Reportable Events**  Dr Raby confirmed that based on the January 2022 guidelines, there were no reportable events. However, we would take this opportunity to advise that Mr Bailey was now Chair of the Corporation Board. | | |  | |
| 17. | **Confidential Items**  Item 8  Item 9  Item 11  Item 12 | | |  | |
| 18. | **Any Other Competent Business**  ***External Auditors***  Mr Slorach advised that tenders for External Auditors had now closed and unfortunately no applications had been received. He noted that he had spoken with providers directly who advised that they were unable to tender as they do not have anyone available to undertake the work. The tender had been an open tender so was open to any provider no matter where they were located.  Further discussions with Tenet, our procurement agents would take place in the coming weeks, however, it was clear that a number of colleges were experiencing similar issues. Whilst not overly concerned by the situation at present, if the situation had not resolved by May/June we would have concerns.  Mr Blanshard asked what our default position is. Dr Raby advised he would be speaking with the ESFA on options going forward. Mr Slorach added that we have never been in this position before so will need to explore options.  Ms Miller asked if companies were not tendering due to the cost factor. Mr Slorach advised that there was chatter on a Finance Directors network that the sector as a whole were unable to pay high prices, and the added issue that there was not “add on” work for companies.  It was noted that RSM would be available to undertake the ESFA Funding Audit for the School.  Mr Swain advised the Board that this would be discussed at the next Audit Committee in March.  Mr Smith thanked Mr Slorach for the update. | | |  | |
| 19. | **Review of Meeting**  The meeting was viewed to be good with a good debate.  Dr Raby thanked Mr Smith for his leadership of the Board and for his time as a Board member which dates back to 2005. Dr Raby shared with the Board a story about his application for Principal which Mr Smith was involved in and had showed great dedication to the School’s cause and invaluable stewardship.  Mr Swain thanked Mr Smith on behalf of the Independent Members for leading the Board and ensuring everyone had a voice at the meetings. The meetings had always been enjoyable and never onerous.  Mr Smith thanked everyone for their kinds words and added that the role had been made easy by those around the table and he was heartened by the strength of the Board. | | |  | |
| 20. | **Date and Time of Next Meeting**  The next meeting of the Corporation Board will take place on Friday March 11th at 1330hrs in our Middlesbrough Campus.  Prior to the main meeting an update presentation would be given to Members by Mike Wheaton on Degree Awarding Powers.  Finance Committee would take place earlier in the day, with timings to be confirmed.  The meeting will be held in person and with the option of MS Teams if required. | | |  | |
|  | The Chair thanked the Corporation Board members for their useful discussions.  The meeting closed at 1518hrs. | | |  | |

**Confirmation of the minutes of the**

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| Signed: | |
| Chair of the | Date: |