

MINUTES

Corporation No. 129

Date: *13/12/2016 (Tuesday)*

Time:

*18:00–
20:00*

Venue: *Rural Business Centre*

Committee:

Corporation

Notes: *Refreshments will be available from 5.30pm.*

Present: *Allan Foster, Ann Turner (Principal), Garry Payne, Gerry Corless, Ian Higginbotham, Jane Booker, Marion Nuttall, Robert Robinson, Sarah Burdaky and Steve Rigby (Chairman)*

Attending: *Alison Robinson (Vice Principal), John Wherry (Deputy Principal) and Paula Lister (Deputy Principal)*

Clerks: *Ron Matthews (Clerk) and Susan Whiteside (Deputy Clerk)*

Apologies: *Adrian Boreham, Clare Platt, Grace Power, Ian Douglass, Ishwer Tailor (Co-opted Member), Rebecca Fitzsimmons, Richard Furnival and Stuart Heys (Vice Chairman)*

Public Minutes

Item number: (and category)	Item description:
111.16 <i>Decision</i>	<i>Attendance of Co-opted Governors and Members of Management</i>

Standing Order 13 states that:

As a matter of policy all meetings of the Corporation and its Committees will be held in private. The agendas and minutes and supporting papers of its public business will be made available to the general public.

However:

- (a) The Principal shall be authorised to invite members of staff to attend in their employed capacity for both public and confidential business as appropriate and in accordance with Standing Order 25.*
- (b) The Corporation however, may exclude members of staff from attending any business that it deems necessary.*
- (c) Attendance by other persons shall be at the discretion of the Corporation following advice from the Principal or Clerk.*

However, the Corporation does encourage Co-opted Governors to attend and take part in the discussion and debate.

Resolved:

That Management attend the meeting for the public and confidential agenda items.

112.16 <i>Record</i>	<i>Apologies for Absence</i>
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Apologies have been received from:

Richard Furnival, Ishwer Tailor (Co-opted Committee member), Ian Douglass, Clare Platt, Stuart Heys, Adrian Boreham, Rebecca Fitzsimmons and Grace Power.

113.16	<i>Public Minutes of Previous Meeting</i>
<i>Decision</i>	The public minutes of meeting number 128 held on Tuesday 25 October 2016, were signed and agreed as a true and correct record.
114.16	<i>Declarations of Interest</i>
<i>Record</i>	There were no declarations of interest made in respect of items on the public agenda.
115.16	<i>Chair's Opening Remarks</i>
<i>Information</i>	The Chair addressed the Corporation and provided an update on his recent activities on behalf of the College.
	Marion Nuttall retiring Governor.
	Marion Nuttall was attending her last formal meeting and would retire from the Board on 31 December 2016. The Chair paid tribute to her excellent contributions over eight years as a Governor and two years as a Co-opted Committee member. During this period, she had served on the Quality & Standards Committee as a member and as Chair and had spent some of the years serving on Audit & Governance Committee. All present acknowledged the value her educational experience had brought to the role and thanked her for her commitment to the Governor Engagement Programme. Management echoed the sentiment commenting on the commitment, passion and rigour she had demonstrated over the years.
	Marion responded saying that it had been a privilege and a pleasure to have been able to be involved in Governance in the College. She thanked her colleagues, and wished to express her thanks to the Executive and staff she had met and liaised with in her time at the College.
	Resolved:
	That the Chair's remarks be received.
116.16	<i>Correspondence</i>
<i>Information</i>	Corporation gave consideration to correspondence received from the Chair of the Shadow Lancashire Combined Authority which provided an update on progress towards the establishment of the authority. The correspondence indicated the Shadow Combined Authority could be formally established from April 2017 and outlined the programme of

activity. Members noted Wyre Council had not engaged with the initiative. A further update would be released in January 2017.

The Policy Update September to November 2016 from the Association of Colleges had been added to this agenda item.

Brexit - There is uncertainty over the post Brexit rules for students, staff and regional funding. A broad estimate was that there are 40,000 non-UK EU students in colleges (2% of the cohort), 4,000 staff (2% of the workforce) and £100 million in annual income (1.5% of the total). The UK Government would honour student loan payments for students who start courses in 2017.

Autumn Statement - The latest allocations to Local Enterprise Partnerships from a £1.8 billion pot were due to be made in the coming weeks.

College Funding - There was no firm information on the 2017-18 funding process for 16 to 18 education and the adult education budget, but the indications were that there would be very few changes.

Apprenticeships - DfE had published updated apprenticeship funding plans in late October and invited applications for its Register of Apprenticeship Training Providers and for a tender for apprentices in small and medium employers. Colleges, universities, training providers and employer providers will not find out until March 2017 whether they have been successful in the procurement for a programme due to start in May 2017.

Grammar schools - The Treasury's Autumn Statement included £200 million in funding between 2017 and 2021 for grammar schools in England. AoC's response to the consultation will focus on the issues with immediate relevance to colleges: the risk of more unplanned sixth form expansion and even lower GCSE achievements as a result of further fragmentation in the schools system.

Education legislation - DfE will not be presenting planned education legislation for the time being.

Technical and Further Education Bill - The Bill proposes an extension to the role of the Institute for Apprenticeships (IFA) to cover technical education, ensures that the Individual Learner

Record is still used when skills devolution happens and implements the college insolvency provision.

The insolvency aspects of the Bill involve a major change in college law because they extend company law provisions to FE corporations in a number of circumstances while also creating a new special administration procedure to be initiated by the Secretary of State. Implementation is not due until the start of the 2018-19 academic year.

Sainsbury report and post-16 skills plan - Officials continued to work through the autumn on the establishment of the Institute for Apprenticeships and Technical Education, the setting up of panels and early design work on the new routes and the surrounding detail.

Higher Education - The Higher Education and Research Bill would reshape HE regulation in 2018. An amendment gives the new Office for Students a duty to oversee the financial health of the HE sector. This came in the same week as the HEFCE report which described university surpluses of 2-4% of income as inadequate. AoC has continued to work with officials to ensure that the implications for colleges are understood.

Skills Devolution - The uncertainty about the Government's devolution plans delayed DfE/SFA announcements on the adult education budget for 2017.

Ofsted - The new HM Chief Inspector, Amanda Spielman will be in post in 2017. Ofsted's approach has resulted in an increase in requests for AoC support and also in a rising number of college complaints about the process. Ofsted's planned consultation on college campus inspection continues to be delayed.

Area Reviews - The first 13 area review reports recommended a large number of changes in the colleges covered. There had been 11 college mergers so far in the 2016 calendar year and another 8 expected in spring 2017 plus the first few sixth form academy conversions. It was expected that the merger count would reach 35 to 40 for the period 2015 to 2018 involving around 80 colleges. DfE published area review implementation guidance in October and the new FE Commissioner Richard Atkins started in November. The programme itself runs until March 2017.

Resolved:

That the correspondence be received

117.16 *Report of the Myerscough Students Union (MSU)*

Consultation

Corporation gave consideration to the Myerscough Students Union Report for the Autumn Term.

Members were pleased to hear that social events were being well attended, bicycle hire continued to be popular and fundraising for the student's charity of the year, the Peoples Dispensary for Sick Animals (PDSA) was underway. The MSU continued its sustainability activities linked to the accreditation scheme 'Green Impact'. This was progressing as were plans for community involvement and renewal of the 'Fairtrade College' title. In addition there had been further recruitment to the MSU Committee.

Resolved:

That the Myerscough Students Union Report be received.

118.16 *Governor Involvement Strategy*

Information

Governors informed Corporation of involvement they have had with the College since the last meeting.

Research Conference - Marion Nuttall (MN) reported on a good, well attended event and had attended the sessions in Sports Performance and Arboriculture and the student poster presentations on Animal Welfare.

Foundation Learning - MN made positive comment on the personal social development and distance travelled.

General Education - MN had visited this learning area.

Bespoke Engagement Day - Garry Payne (GP) commented on an interesting and informative day visiting a large number of areas and having an opportunity to listen to staff and students and recommended others take advantage of the Engagement programme with opportunity to request bespoke visits for small groups of Governors at a time.

FFIT Centre - Gerry Corless (GC) and Alan Foster (AF) had attended the public Open Day and had met students, staff and past students.

Recruitment Open Morning - AF had attended the event.

FE Performance Boards - Attended by GC, AF and Jane Booker. Governors were assured of the honesty and transparency of the process and noted the commitment of staff in their efforts to motivate students to remain on their course of study through to achieving the qualification.

FE Course Representatives Meeting - IH made comment on the challenges of managing student expectations regarding resources, provision of an environment to satisfy HE students in an FE College. He reported on a productive meeting where issues raised were specific and handled well by staff.

Resolved:

That the Report on the Governor Engagement Programme be received.

119.16
Decision ***Financial Statements Auditors Report and Financial Statements for the Year Ended 31 July 2016 and External Auditors Finding Report***

Both the Audit & Governance and the Finance & Resources Committees had considered the *Financial Statements Auditors Report and Financial Statements for the Year Ended 31 July 2016 and External Auditors Findings Report for the Year Ended 31 July 2016* and recommended them to the Corporation for approval.

Corporation noted the accounts, prepared under the new accounting standard, presented a sound financial position and that Finance & Resources Committee had not considered it necessary for attendance from the external auditor at the Corporation meeting, as the Committee had been satisfied with full explanations and responses to questions.

It was confirmed to Corporation that no adjustments to the final pre audit management accounts were required and the accounts gave strong assurance of the strength of the College's financial processes with no recommendations for action to be included in the audit findings report.

Corporation noted financial management in the College was graded 'Outstanding' and the Financial Health grade was 'Good' according to expectation in line with management financial projections. Corporation also noted that the auditors had commented on a smooth process with exceptional advance preparation of documentation, and that the Finance team, notably Janet Whiteside should be congratulated on this.

Resolved:

1. That the external audit findings report for the year ended 31 July 2016 be approved.
2. That the draft letter of representation (financial statements) be approved.
3. That the draft letter of representation (regularity) be approved.
4. That the Auditors opinions in respect of the Financial Statements Audit and Regularity Audit for 2015 / 2016 be approved.
5. That the Audited Annual Accounts with Members Report for the year ended 31 July 2016 be approved.
6. That the accounts be forwarded to the SFA prior to 31/12/2016.
7. That the dedication and work of the College Accountant Janet Whiteside be acknowledged.

120.16
Decision

Draft Annual Report of the Audit and Governance Committee to the Chief Executive Officer and the Corporation for the Year Ended 31 July 2016

The Draft Annual Report of the Audit & Governance Committee to the Chief Executive Officer and the Corporation for the year Ended 31 July 2016 was considered at the last meeting of the Audit and Governance Committee

Corporation endorsed the Audit & Governance Committee recommendation that the statement below be agreed and noted that the Committee had found no evidence of impropriety.

'The Audit & Governance Committee is of the view that it has operated effectively and fulfilled its obligations as identified in its Terms of Reference. It is also of the opinion that the College's audit arrangements, the internal control systems, value for money policy and procedures, financial controls, framework of governance, risk management and control are adequate, operating effectively and its processes secure economy, efficiency and effectiveness and can be relied upon.'

Resolved:

That the Annual Report of the Audit & Governance Committee to the Chief Executive Officer and Corporation for the year ended 31 July 2016 be approved and signed by the Chair of the

Audit & Governance Committee and submitted to the Skills Funding Agency.

121.16
Decision

Myerscough College Self-Assessment Report 2016

The self-assessment report (SAR) is an integral and fundamental part of the College Quality Improvement Cycle. The SAR informs College policy and strategic planning through Quality Improvement Plans (QIPs) at varying levels from subject courses, support areas through to leadership and management. The process allows the College to critique its own performance and provision, analyse activities and apply different approaches to either foreseeing challenges or identifying ways of resolving them which is essential if an organisation wishes to maintain the momentum required for continuous improvement.

An event for Corporation had been held on Tuesday 6 December where Governors had concentrated on a detailed assessment of the College SAR. Suggestions made at the meeting would be incorporated into the final document.

The College had maintained its self assessment of Grade 2 although there was an increase in the number of outstanding areas. Grades were aligned with the Ofsted framework. Personal Development, Behaviour & Welfare for students was graded as 1.

Three academic areas, Greenspace & Creative Studies, Motorsport & Agricultural Engineering and Sport had improved from a Grade 2 to a Grade 1 'Outstanding'

There had been sustained developmental work in Foundation Learning which was yielding results with the area moving from a Grade 3 to a good Grade 2.

Equine and General Education remained as a Grade 3, requires improvement.

There were no dips in performance in the Support areas, overall performance had improved with 7 areas achieving Grade 1 'Outstanding'.

For the Cross College SARs there were no dips in performance, Apprenticeships and Skills had moved from a Grade 3 to a Grade 2 and Residential maintained its Grade 1 'Outstanding'.

Corporation wished to pass their gratitude to Paul McGrail, Assistant Principal Quality, Learning and Development in facilitating the training event, complete with quiz.

Resolved:

That the College Self-Assessment Report for 2016 be approved and submitted to the relevant authorities.

122.16
Decision

Report of the Audit and Governance Committee 2 November 2016

Corporation gave consideration to the report from the Audit & Governance Committee meeting held on 2 November 2016.

Annual Risk Management Report and the Full Risk Management Plan 2015/2016

Corporation noted the significant areas of risk for 2015 / 2016. Risks were scored according to likelihood and effect using a 5x5 matrix to provide an overall risk factor score. The report indicated current practice and changes were highlighted. The process supports the assurance statement.

Resolved:

That the Annual Risk Management Report and the Full Risk Management Plan 2015/2016 be approved.

Revised Strategic Risk Register

Corporation gave consideration to the revised Strategic Risk Register and proposal that key strategic risks be managed at Board level and that each Committee consider the risks relevant to its function. Audit & Governance Committee would retain responsibility for overall management of risk.

Key risks were referenced to the College strategic objectives. Risks had been scored pre mitigation actions, "inherent" and post mitigation actions, "residual".

Corporation expressed satisfaction with the new approach.

Resolved:

That the Strategic Risk Register approach and Key Strategic Risks be agreed.

Appointment of Chair and Vice Chair of the Committee for 2016 / 2017

Audit & Governance Committee had re-appointed Gerry Corless as Chair of the Committee and Garry Payne as Vice Chair for the ensuing twelve months.

Financial Statements Auditors Report for the Year Ending 31 July 2016 and External Auditors Findings Report to the Audit & Governance and the Finance & Resources Committees.

Audit & Governance had considered the draft documents and made recommendations for Corporation approval. Corporation had considered the final documents earlier in the meeting, minute 119.16 refers with Corporation concurring with Committee recommendations and approving the documents, together with the letters of representation and Auditors opinions and regularity conclusion as submitted.

Annual Report of the Audit & Governance Committee to the Principal/Chief Executive and Corporation for the Year Ended 31 July 2016

The document had been considered earlier in the meeting, and Corporation concurred with the Audit & Governance Committee recommendation and approved the final document as submitted, minute 120.16 refers.

Audit & Governance Committee Terms of Reference

The Committee had reviewed its terms of reference, which were included as part of its Annual Report and concluded that they remained fit for purpose.

Internal Audit Progress Report and Summary Report Update.

Audit & Governance Committee had expressed satisfaction with progress to date on the recommendations.

Data Returns Report

All returns for 2015 / 2016 had been submitted on time. The first return for 2016 / 2017 had been submitted out of time due to an issue with the system which the supplier was addressing. The SFA were kept fully informed and were supportive of the College over the delay.

Draft Governance Self-Assessment report 2016

Governance was graded 2, 'Good'. Actions would be incorporated into the Governance Quality Improvement Plan which would be monitored throughout the year.

Skills Audit 2016

The Skills Audit aided identification of the overall make-up of the Board and supported decision making in recruitment to the Board.

Corporation Vacancies - Governor Marion Nuttall

Audit & Governance Committee had paid tribute to retiring Governor, Marion Nuttall who was attending her last meeting of the Committee.

A panel was agreed to interview a candidate who had relevant educational experience with a view to filling the vacancy left on the Board.

Annual Review of Decision Making Processes of the Corporation

Corporation noted that Audit & Governance Committee had agreed that the documents remained fit for purpose.

In accordance with the Code of Good Governance the Terms of Reference of individual Committees were being reviewed at the relevant meetings.

Governor Training

No further training had been planned due to the number of additional meetings and training that had taken place to enable Governors to be effectively informed for the support and decision making required for the Area Review process.

The annual Governor Away Event traditionally held in January was being postponed until the Area Review process had completed, which was scheduled for February 2017.

Corporation noted that since the meeting Governors had requested a training / information session to support their decision making. The event was planned for 30 January 2017

Resolved:

That the above matters be received.

123.16
Decision

***Report of the Quality and Standards Committee 8 November
2016***

Corporation gave consideration to the Quality and Standards Committee Report presented by the Chair of the Committee.

Appointment of Chair and Vice Chair

Allan Foster was appointed as Chair for the ensuing twelve months and Marion Nuttall as Vice Chair until her retirement at the end of the year.

Performance Data 2016/2017

The Committee had reviewed performance data as follows:

Strategic Plan Progress Report 2016/2017.

In Year Performance Data: - FE - HE - Apprenticeship and Skills.

FE recruitment had met the funding target and was up on last year.

HE recruitment was below target particularly for Agriculture. The Committee explored the reasons for low recruitment and was aware of the financial impact. Corporation noted serious management time was given to the issue of recruitment. Corporation would consider recruitment further at a training event arranged for 30 January 2017.

The report also included details of the Teaching Excellence Framework which had been devised to recognise and reward excellent teaching in UK higher education providers.

Apprenticeship and Skills recruitment was on target for the rolling programming although they were stretch targets. The current situation indicated there may be a potential to bid for growth in March.

Teaching and Learning Report Lesson observations were being completed earlier in the year to enable timely support to be put in place. Corporation heard that to date 48% of observations had been completed with a target for the year of 100%. Members had been encouraged by the improved rating of the observations and were assured of the robustness of the process.

**Draft Equality, Diversity and Inclusion Annual Report
2015/2016**

The report reflected on the work that had been undertaken to advance and promote equality, diversity and inclusion at the College over the year and would be published on the College website in January 2017. Corporation was assured that the College discharged its duties according to the legal framework. Corporation noted that Investors in Diversity stage 2 had been achieved and an assessment for the 'Leaders in Diversity' award was scheduled for 8 February 2017.

Quality Improvement Plan 2015 / 2016 –The Final Update was received.

Corporation noted discussion had arisen around the teaching of Maths. From this the Vice Principal presented a report at the Self-Assessment Training Event held on Tuesday 6 December 2016 to inform Governors of actions from 2015 / 2016 and the approach for 2016 / 2017.

Academic Assurance Statements

The Committee had noted the Higher Education Funding Council's (HEFCE) requirement for the Board to agree Academic Assurance Statements which had subsequently been provided at the Corporation meeting on 25 October 2016.

Landex Peer Review Report

The report found that Myerscough was considered to be a 'Good' college with 'Outstanding' features.

Terms of Reference for the Quality and Standards Committee

Quality and Standards Committee had reviewed its terms of reference and concluded that they remained fit for purpose.

Governor Marion Nuttall

Members had paid tribute to Marion Nuttall who was attending her last meeting of the Committee which she had led as Chair.

Resolved:

That the report of the Quality & Standards Committee be received.

124.16 *Report of the Finance and Resources Committee 22 November 2016*
Decision

Corporation gave consideration to the report of the Finance & Resources Committee.

Financial Statements Auditors Report for the Year Ending 31 July 2016 and External Auditors Findings Report to the Audit & Governance and the Finance & Resources Committees.

This was considered as a separate item earlier in the meeting, Corporation minute 119.16 refers.

The Principals Strategic Plan Progress Report 2016/2017; Financial Position Statement for Period Ended 31 October 2016;

Investment Funds, Including Interest, for Period Ended 31 October 2016;

Capital and Revenue Cash Flow for Period Ended 31 October 2016;

Capital Expenditure Report for Period Ended 31 October 2016; Myerscough Ventures Report for Period Ended 31 October 2016.

The Committee was pleased to report that overall the finances of the College remained in a healthy state.

The balance sheet was at £5.8m, a current ratio of 1:1.18 and cash days of 73. Turnover was slightly behind profile with surplus at £618k which was £37k behind budget. Whilst in the main the financial key performance indicators were just behind target the issue that occupied member discussions was low recruitment to HE and subsequent reduction in demand for residential accommodation and the resulting knock on effect to Myerscough Ventures income. The issues of HE recruitment would be subject to a management report to the Governor Event on the 30 January 2017.

FE recruitment was at funding level.

Cash balances remained strong with a sound financial position at the current time.

The Capital Plan profile and projects were meeting targets.

Myerscough Student Union Annual Accounts for the Year Ended 31 July 2016 indicated that the Association remained solvent.

Overseas Visits Policy

Minor changes to the above policy were agreed together with an agreement to increase the signing authority for senior management from the current £500 to £1,000.

Human Resources

The Committee had noted that staff turnover was below national average, overall staff sickness was slightly higher than

target but in line with current benchmarking.

Health and Safety Report

Accident statistics had not identified any particular concerns although it was noted that more accidents occurred to non-residential under 18 female students. 4 RIDDOR reportable accidents occurred only one of which required further investigation.

Terms of Reference of the Finance and Resources Committee

In line with all Committees the Finance and Resources Committee reviewed its terms of reference and requested the Clerk and the Deputy Principal, Finance and Corporate Services, review the terms of reference in line with the Financial Regulations and report back to the next meeting.

Resolved:

That the report be received.

125.16

Decision

Audit and Governance Committee - Interview Panel

The Interview Panel report was considered under confidential items, minute 134.16 refers.

126.16

Information

Governors Event - 30 January 2017

A half day training event was being arranged for 30 January 2017 from 3.00pm to consider reports from management on a number of strategic issues.

This was in addition to a full day training event which would be arranged for late March or April 2017.

Resolved:

That the arrangements for Governor Training be received.

127.16

Decision

Accrington & Rossendale and Burnley Colleges - Merger

The Principal updated members on a formal consultation process on the proposed merger between Accrington & Rossendale College and Burnley College, planned for 1 May 2017. The deadline for responses to the consultation was 12 January 2017.

The link for details of the proposed plans, together with the full consultation document and information on how to respond had been circulated. www.burnley.ac.uk/consultation and www.accross.ac.uk/consultation. Corporation did not consider it

necessary to lodge a formal response.

Resolved:

That the process towards the proposed Accrington & Rossendale merger be noted.

128.16 *Lancashire Schools Forum*

Decision

Corporation noted the vacancy on the Forum for a College Governor representative.

Governors were invited to inform the Clerk should they wish to be considered for the vacancy.

Resolved:

That the vacancy on the Lancashire Schools Forum be noted

129.16 *Landex Chief Executive Officer*

Information

Corporation gave consideration to the Chief Executive of Landex Report 2015 / 16 which gave an overview of the years activities in the context of the landscape for specialist Colleges.

Corporation was aware Myerscough's Principal, Ann Turner was joint Chair of the Landex Board.

Resolved:

That the Chief Executive of Landex Report 2015 / 16 be received.

130.16 *Landex Request - Governor Appointment*

Decision

Corporation gave consideration to the letter from Jeff Beer OBE who was the nominated representative of Landex members on the Association of Colleges Governors' Council.

The letter gave details of a proposal to re-introduce regular meetings of representative Governors of Land Based Colleges so that information flow and best practice be shared and discussed. It was agreed the Board was interested in supporting the initiative. Governors interested in being involved were asked to contact the Clerk.

Resolved:

That the initiative be noted.