



**MINUTES OF THE CORPORATION MEETING HELD ON
MONDAY 18 MARCH 2019 AT 5.00 PM
IN THE BOARD ROOM AT THE ROUNDHOUSE**

Present: Janet Morgan (*Chair*), Richard Brewell, Hazel Clint, Andrew Cochrane, Kate Cusick, Phil Dover, Mike Kapur, Peter Lewis, Gary Malcolm, Martyn Marples, Graham Schuhmacher, Kevin Slack, Mandie Stravino

In attendance: Jon Fearon, Michael Ford, April Hayhurst, Kate Martin, Heather Simcox, Pam Stanley (Minute number 48/18-19 only), Rose Matthews (Clerk)

	Action	Date
43/18-19 WELCOME AND INTRODUCTIONS		
The Chair welcomed Andrew Cochrane, Chairman and Senior Partner at Flint Bishop and Hazel Clint, Senior Parts Flow Manager at Toyota.		
APOLOGIES FOR ABSENCE		
44/18-19 Apologies for absence were received and accepted from Jack Atwal.		
45/18-19 DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM		
All members were eligible and the meeting was quorate.		
There were no new declarations of interest.		
46/18-19 MINUTES OF THE PREVIOUS MEETING		
Approved: The minutes of the meeting held on 17 December 2018 were formally approved and signed as a true and accurate record.		
47/18-19 MATTERS ARISING		
29/18-19 The Annual Health and Safety Report had been published on the Group's website.		
The Environmental Management Status Report formed the basis for the Health and Safety agenda item.		
30/18-19.5 The Deputy Chief Executive confirmed the equality and diversity data relating to the Pakistani Group had been reviewed internally.		
37/18-19 The Chief Finance Officer confirmed he had responded to Mike Kapur outside of the meeting to clarify the point relating to total pay costs.		
33/18-19 A line in the Future Financial Statements and Annual Report would relate to complaints and compliments.		

48/18-19

HEALTH, SAFETY AND ENVIRONMENT STATUS REPORT

The Environmental Compliance Manager joined the meeting to present the Health, Safety and Environment Status Report which summarised achieved towards KPIs and compliance and reporting in headline areas.

Members questioned the increased energy consumption. It was explained work was being undertaken with the environmental champions to look at utilisation.

Pete Lewis asked if an external audit of Health and Safety could be utilised and questioned if there was any accepted guidance of external scrutiny that could be used.

It was confirmed as part of the internal audit cycle an audit of the area was taking place in April. Key risks were identified through the risk management framework with the high-level risks feeding into the three year assurance plan. The Audit Committee reviews the Corporate Risk Register, Assurance Plan and internal audit reviews at each meeting.

49/18-19

REPORT FROM THE STANDARDS COMMITTEE HELD ON 20 NOVEMBER 2018

The Chair of the Standards Committee presented his report from the meeting held on 5 March 2019.

The Organisational QPR was presented to the Committee. In year self-assessment was strong with regular meetings in all areas focussing on performance.

Good progress was being made on the priorities identified in the Quality Improvement Plan.

The Committee Chair explained there would be changes from September 2019 to the Ofsted regime with the New Education Inspection Framework.

Members received an update on external projects which were underway to drive improvements in teaching, learning and assessment.

Observation of staff was ongoing, with a wider approach from Teaching Learning to subject managers also.

Further work was being undertaken on the scorecard, which is likely to further change with the new inspection framework.

Positive awarding body external quality assurance visits have taken place.

Action

Date

The KPIs were showing good retention figures with significant improvement in overall.

Mike Kapur questioned the increase safeguarding disclosures with 75% made by female students. The Chair of Governors said a view was that female students are more open at coming forward and there was no indication it was abnormal. The Vice Principal explained comparisons across curriculum areas showed that students in Early Years and Care have a higher tendency to disclosure.

The meeting commenced with a tour of the sports facilities at Broomfield and members were shown a peer mentoring system piloted in Sport which focussed on STEM subjects.

Members received a demonstration of OneNote, an e-portfolio, which students can access. However, it was made clear this did not replace the VLE Moodle.

The Committee Chair provided feedback following his Link visit with the Team Managers for English and Maths.

The Student Governor covered some of the projects being undertaken. There was much more willingness for students to join in events and overall positive feedback.

50/18-19 HIGHER EDUCATION STRATEGIC BOARD

The first Higher Education Strategic Board had taken place earlier in the day. Phil Dover and Mandie Stravino represented governor on the Strategic Board.

Jenny Brandham the new HE Director had commenced in post. Work was underway to review HE practices within the curriculum areas.

51/18-19 FINANCE REPORT, INCLUDING;

- **MANAGEMENT ACCOUNTS – JANUARY 2019**
- **MID-YEAR REVIEW AND FINANCIAL RE-FORECAST**

The Chief Finance Officer shared the Management Accounts for January and advised the February ones had been released but not yet circulated.

The trend against forecast continued. The reforecast showed a revision to the anticipated outturn.

There had been a reduction in income in the main relating to apprenticeships and tuition fees for full cost.

As a result the mid-year review reflects a reduced turnover to £49.9m and an EBITDA forecast of 7%, the forecast is still, however, cash generative for the year.

The reforecast included a change in the allocation for franchise activity, increasing 16-19 provision as follows:

White Rose - £150K - £200K
 Chameleon from £98K - £234K

The AEB budget has increased with allocations proposed as:

Chameleon gross £260K
 Lifelong Learning gross £25K
 White Rose £650K
 SIGMA UK £450K

Approved: The Corporation approved the increases in franchise activity.

Approved: The Corporation approved the mid-year re-forecast for the financial year 2018-19.

Mike Kapur commented this reinforced the importance of the first month for reporting.

The Corporation Chair asked how that would affect the scorecard and was informed the leverage and current ratio would strengthen and the good ratio would remain in 'good'.

The Chair of Audit Committee asked if the Chief Finance Officer could inform the Corporation of the current situation with the Lennartz VAT case and a verbal update was provided to members.

52/18-19 REPORT FROM THE AUDIT COMMITTEE HELD ON 12 MARCH 2019

The Audit Committee Chair provided a verbal report from the meeting held on 12 March 2019. The Committee Chair announced that Hazel Clint and joined the Audit Committee, which also saw the departure of Martyn Marples and Peter Lewis who were to join the newly established Finance Committee.

The Executive HR Director joined the Audit Committee to present the Gender Pay Report, which had a publication deadline of 31 March.

Whilst there still remained a gender pay gap affecting women in the organisation DCG's results were better than the national figures when compared. The Committee were informed of the policies to support women at work and approved the report for publication.

The Internal Auditors reported on a number of reports, which included Student Progression and Intervention and Sub-contracting. The Mock Funding Audit was identified as a high risk, work was still ongoing with management responses returned to the auditors.

The Risk Register review provided updates on two litigation cases, with no health and safety issues to escalate.

53/18-19 SEARCH AND GOVERNANCE COMMITTEE HELD ON 17 JANUARY 2019

A summary following the Search and Governance Committee was presented.

David Williams had formerly been elected Chair of Search and Governance Committee by Corporation at its October 2018 meeting. However, following David's resignation, Jack Atwal took on the role of Chair.

The Committee recommended to Corporation that Jack Atwal be appointed Chair of Search and Governance and Remuneration Committee.

Approved: Corporation approved Jack Atwal's appointment as Chair of Search and Governance and Remuneration Committee for 2018-19.

The Clerk had approached Nick Freeman following his departure from the Board to act as an independent Chair to the Group's subsidiary companies MBS and Corporate College Ltd. Nick agreed to continue as Chair.

The Committee recommended Hazel Clint's appointment to the Corporation from 1 February 2019 for a two-year period until 31 January 2021 and remote approval was sought.

Approved: The Corporation ratified the remote approval to appoint Hazel Clint to the Corporation for a two-year period from 1 February 2019 to 31 January 2021.

The Committee recommended Sharon Martin's appointment to the Corporation from 1 February 2019 for a two-year period until 31 January 2021 and remote approval was sought.

Approved: The Corporation ratified the remote approval to appoint Sharon Martin to the Corporation for a two-year period from 1 February 2019 to 31 January 2021.

Following the Committee, contact had been made with Andrew Cochrane and remote approval sought for

appointment from 11 February 2019 to 10 February 2021 for a two-year period.

Approved: The Corporation ratified the remote approval to appoint Andrew Cochrane to the Corporation for a two-year period from 11 February 2019 to 10 February 2021.

The Chair advised the Committee had discussed the introduction of a Finance Committee in light of the introduction of the Insolvency Regime and the financial climate in the education sector. The Committee discussed introducing three meetings a year, with the possibility of removing the May Corporation meeting which in the main focussed on finance.

Corporation members felt it was too early to remove a Corporation meeting until the Finance Committee had become established.

Mike Kapur suggested it would be a good idea to hold an open session so that all members could have the opportunity attend the Finance Committee (but not as members), given Corporation's responsibility to ensure the solvency of the organisation. The Clerk explained as an Audit Committee member Mike could not sit on the Finance Committee, as there would be a conflict. However, it was agreed members were welcome to attend as observers.

Approved: The Corporation approved the introduction of a Finance Committee, with initial membership to include Janet Morgan, Mandie Stravino, Martyn Marples and Pete Lewis.

Following approval by the Secretary of State to change the name of the Corporation to DCG, the Committee recommended an updated version of the Instrument and Articles.

Resolution: Corporation resolved to approve the updated Instrument and Articles of Government.

Further items discussed at the Search and Governance meeting were the Further Education Corporations and Sixth-Form College Corporations Governance Guide and changes to the Code of Good Governance.

54/18-19

DERBY COLLEGE STUDENTS' UNION TRUST

The Deputy Chief Executive sought retrospective approval of the Derby College Students' Union Trust Constitution which would be subject to a further change, with reference to the College as DCG.

Approved: The Corporation approved the Derby College Students' Union Trust Constitution, subject to further changes outlined.

The Code of Practice is a framework to work to for the Union and approval of this document was also required.

Approved: The Corporation approved the Derby College Students' Union Code of Practice.

Gary Malcolm, the Student Governor explained how the Union had progressed in terms of external engagement and would be introducing a suite of policies.

55/18-19 STRATEGIC RISK MONITORING

Members received the Strategic Risk Monitoring Report which provided an update on high priority risks identified on the Risk Register and a summary of current litigation being taken against the Group.

Reference was made to Risk 45, which related to devolution and Risk 56 which was associated with the Web Accessibility Guidelines. The accompanying report detailed the preventative controls the group had in place.

The reduced risks were highlighted and reference made to two litigation cases.

There were no significant safeguarding issues or prevent referrals to escalate.

56/18-19 KEY PERFORMANCE INDICATORS

The Deputy CEO reported on achievement towards the Key Performance Indicators for 2018-19.

The quality and financial elements had already been covered earlier in the meeting.

Discussion focussed on the target for attendance; it was acknowledged this was 100%, yet the report showed a target of 93%. It was agreed 93% was the floor target and the report should reflect this.

57/18-19 POLICIES

The Audit Committee recommended the following policies for approval by the Corporation:

- Tuition Fees Policy

Kate Cusick mentioned the updated funding guidance indicated a 10% contribution from 1 April 2019.



The Corporation had received the Employee Engagement Policy remotely for approval.

Approved: The Corporation approved the Tuition Fees Policy recommended by the Audit Committee at its meeting on 12 March 2019.

Approved: The Corporation ratified the Employee Engagement Policy which had been received and approved remotely.

Action

Date

The meeting finished at 6.30 pm

Signed: _____ Date: _____