



MINUTES OF THE BOARD MEETING HELD ON MONDAY 15 OCTOBER 2018

Present:

Governors:

Pete Adams
Angela Briggs
Ruth Brook
Greg Clarke
Paul Grinell
Nigel Jackson
Madeleine Keyworth

Abid Khan
Mathew Lynds
Paul Pascoe
Paul Senior
Louise Sharp
Mark Swales
Anne Tyrrell

The quorum for the meeting was six members.

In attendance

Jo Garrison	Clerk to Corporation
Peter Doherty	Chief Operating Officer
Mick Lochran	Principal, North Lindsey College
Kathryn Brentnall	Acting Principal, Doncaster College

The meeting was held in the Lindsey Suite, North Lindsey College, and started at 5.30pm.

Item	Minutes	Action
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1 Apologies

Apologies for absence had been received from Harold Osborne and Andy Tuscher.

2 Declarations of Interest

Members should declare any personal or financial obligation, allegiance or loyalty which would in any way affect decisions in relation to the subjects under discussion.

Members were informed that A Tuscher is standing aside as Chair of Governors, due to ill health. Vice Chairs updated members that a discussion had been held and agreement reached by the current Vice Chairs for A Briggs to take over the role as Chair until A Tuscher's health recovers and he is able to return to the position. P Pascoe to remain as Vice Chair.

Angela Briggs left the room

Members agreed that A Briggs was appointed Chair of Governors and would stand down as Chair, and a member, of the Audit & Risk Committee due to conflict of interest. It was also agreed that P Grinell, Vice Chair of the Audit & Risk Committee could take over the role as Chair to this Committee.

Angela Briggs entered the room

3 Minutes of the meeting held on 4 July 2018 and any matters arising

The minutes were agreed as a true and correct record and signed by the Chair.

Matters Arising:

Item 7 (from 23.05.18) – It was suggested that students particularly HE interns, could be usefully employed. M Lochran updated members that NLC was ranked 10th in the national college ranking for social media, with the ambition that Doncaster will increase its ranking position in the future. Both Colleges employ interns. E Turner is leading on mapping student destinations and marketing.

Item 13 (from 23.05.18) – The Clerk informed members that the Prevent Duty will be scheduled for the Governor training day on 13 February 2019. An audit is being carried out to ascertain the current training gaps for Prevent and Safeguarding training for Governors. The Clerk will circulate online training requirements to individuals identified. Clerk

3ii Confidential Minutes of the meeting held on 4 July 2018 and any matters arising

The minutes were agreed as a true and correct record and signed by the Chair.

4 Chair's Actions

Members were advised of the Chair's actions granted since the last meeting. The appointment of the Clerk and the On-Line Learning programmes contract award for £133,700, to contribute to achieving 2018/19 Audit funding allocation.

5 CEO Report

A Tyrrell provided an update on current developments, particularly in relation to the progress on the strategic planning and significant events and partnerships.

Members were referred to section 1 with regards to the sustained funding cuts and attention drawn to item ii in terms of the Treasury announcements of public sector pay deals, including one for teachers increase, ranging from 1.5% to 3.5% a year. There is no similar deal for FE Colleges and the AoC have been leading on a campaign for fairer funding.

Members were reminded it is Colleges Week and to sign the petition that had been circulated on 15 October. If 100,000 signatures are obtained in the petition this will be debated in Parliament. Our aim is turn both Scunthorpe and Doncaster red on the associated map, demonstrating our support and commitment, which would be a very strong message.

A Post 18 Review was initiated by Government as part of the Industrial Strategy in April and has the potential to increase the importance of College Based HE. The outcome of the review is due in November.

Doncaster College and North Lindsey College have individual identifier codes for performance reporting, as well as a single unique UK Provider Reference Number

(UKPRN) for the DN Colleges Group. For 2018/19 the Group will receive shadow data with the intention from 2019/20 that all data will be published, with the exception of 16-18 data which will be published in 2020/21.

A Tyrrell and Governors wished to express their thanks to Claire Houlden for covering the Clerking duties during August and September and the additional duties undertaken.

Members were advised that the Strategic Plan was approved at the last meeting and now presented as part of this report. A point of clarification was requested from P Adams in relation to the improvement targets. A Tyrrell informed Members the key changes in the results are due to the make-up of qualifications delivered. M Lochran also commented that the previous year's data included a number of short qualifications with high achievement rates due to the short timeframe of the courses achieved.

A number of Group appointments were now operational, including interim roles, and an acting Group Head of Marketing was now in place.

The Staff Survey summary was discussed, highlighting both the highest scoring and lowest scoring responses. A Tyrrell acknowledged the need to improve communications across the group, particularly in relation to the many changes occurring as a result of the merger. A Tyrrell assured Members that action was being taken as a priority to increase communications across both Colleges and accepted not all messaging had had a positive impact. It was acknowledged that there was a need to press forward. A Tyrrell advised that the approach taken to stand back was to ensure flexibility in roles and communication with the aim to get things right moving forward.

Agenda was paused and Simon Green (Deputy CEO North Lincolnshire County Council) joined the meeting and Members moved to agenda item 8.

8 University Campus North Lindsey

Simon Green was welcomed by A Tyrrell to the Corporation Board and provided Members with the background to North Lindsey College, together with the University of Lincoln, continuing to actively engage in North Lincolnshire Council's ambition to develop a University presence in Scunthorpe. £1.8m funding has been secured from Greater Lincolnshire LEP to pursue various options. There is opportunity for this funding to increase to £2m. The project under review is the refurbishment of the Civic Centre. It was confirmed that the VAT efficiencies originally envisaged may not be realised which would create a funding gap to be addressed.

Members were advised there is a distinct possibility of releasing a further £200,000 to £300,000 from other Council projects funding through the GLLEP. Confirmation also received that GLLEP will increase capital allocation to £2,000,000 for the original project. The £2.8m expected through the Institute of Technology has been increased to £3.6m as the College has scaled up activities based on occupancy of the new facility.

A Tyrrell advised the Council have a Developer ready to engage and the Council, who the Council will be informing if there is approval for NLC to progress. Previous options had included a joint development of the site, developer and NLC, however this presented additional risks and was not scalable in terms of future growth. The project

has previously been agreed, in principle, by the Finance & Resources Committee, subject to all due diligence checks; including the Building Commission report as the building is Grade 2 listed.

S Green provided Members with two background stories around the state of North Lincolnshire economic issues: whilst there is good employment there is not value added at NVQ Level 4. North Lincolnshire is 12% behind the mean average of NVQ L4 and above. To bridge the gap around demand, retraining and new to market requirements the presence of HE in North Lincolnshire and a campus approach will help to address these issues.

A swift approach has been taken to the town centre issues to address the change in structure from retail. However S Green reported people still wish to meet as part of local life and the need to reposition business, commerce, leisure and activity. Also development of the ONGO building in the town centre. Part of the regeneration catalyst is what to do with the Civic Centre building and the feasible approach for NLC to acquire and have as a University Campus, providing a real University presence. S Green closed commenting that this is a step change to increasing the future economy.

M Lochran commented that there is a funding gap at the moment of £1.3 (£1.6m?) but the potential in taking the next steps to have the identity as a University Centre. The presence of the Centre would attract a different level of attendees and obtain more employer and public buy in, providing iconic positioning.

The Civic Centre converts itself into a University Centre in an ideal location, with support from the Council who have provided architect drawings and accurate renovation figures. Members were informed the lease arrangements would be for a period of 125 years. The annual rental cost would be £20,000, designed to lessen capital expenditure. Members also discussed the opportunity for growth and were advised there is a large car park that could provide the capacity for extension in the future. S Green also confirmed the listed elements of the Civic Centre are the exterior and the Council Chamber.

Simon Green left the meeting

Members agreed that the marketing and messaging of the development requires a sensitive approach. Members agreed the formal messaging should be aligned to the VFX Academy and the opportunities this will bring to North Lindsey and Doncaster.

Resolution: Members approved the proposal to progress the UCNL project, subject to meeting the original conditions.

- Both parties complete the due diligence relating to all aspects of the proposal
- Independent oversight of the relationship with North Lincolnshire Council, which includes the Council acting Property Agent and undertaking the refurbishment
- Oversight of the building condition report and risks associated with listed building status.
- Completion of the financial model

Paul Grinell abstained, due to not having the documentation to review.

8a **Institute of Technology**

M Lochran advised two bids for Greater Lincolnshire and North Yorkshire and the Humber were progressed to stage 2, however two bids overlapped in the South Humber, and North Lindsey has withdrawn from the North Yorkshire and the Humber bid to avoid clustering. The College remains an anchor partner in the Greater Lincolnshire bid.

Members were assured the Institute of Technology bid is strong, involving seven partners, five colleges, a UTC and the University of Lincoln. The bid will be submitted by 21 November and the outcome announced in March 2019.

Clarification was provided to the misprint in the DfE update and Members were advised all capital assets must be owned by the Accountable Body or a partner and be available for use for the duration of the Licence period. Members were advised DfE will require a minimum lease term of five years.

Concerns were raised as the DfE requires the assets to have received capital investment, which shall be used for the delivery of education in technical disciplines for 20 years, while those assets have received capital investment of £250,000. The question was raised what would happen with regards to the storage of equipment not in use, if no further provision came forward. Members agreed that this needs to be monitored.

A Briggs congratulated all involved on the enormous amount of work that has been undertaken on this and related growth activities.

Resolution: Review the capital investment considerations to ensure capital investment requirements are amended. Members approved recommendations 1, 2 and 3

AVT

Members returned to Agenda item 5 – CEO Report – Section 7

5 **CEO Update (continued)**

As part of the two-year review of the One Doncaster Report, the commissioners applauded Doncaster College for the productive partnership working across the Borough and the Children's University. Feedback was included from two College students, not selected internally, that provided great delivery of our message about the value of the College and our University Centre as an anchor institution in Doncaster.

The MOU has been signed between Doncaster College, Hall Cross Academy and Hungerhill School as part of the recommendations of the post-16 Review, with the aim to provide a universal post-16 offer in the centre of Doncaster.

A Tyrrell advised the University City Project work has been slow, but is now moving to the next stage of the proposal, with the providers leading in partnership.

The sale of High Melton and the establishment of a VFX Academy was progressing. Sheffield City Region capital bids have been submitted for £1.5m. It was noted there is limited capacity of bid writers within the DN Colleges Group.

Members were reminded that Doncaster University Centre Graduation ceremonies will

be held on 06 November 2018 at CAST.

Discussion was held around achieving University presence in Doncaster to engage 18 year olds and degree programme students to train locally and stay in the area. If the College can become a University it can align with the Hospital Strategic Plan and their activities. Caution was noted around the political sensitivities around Sheffield Hallam and to ensure positive messaging.

6 Performance

- **Achievement**

A summary was provided on achievement across the group, noting the general direction of travel was positive.

Adult students have improved and whilst 16-18 have improved, there were disappointing results for English and maths. M Lochran advised new staff have been brought into post, and were trying to unravel why the results were low. Standardisation is implemented and discussions have taken place with staff. Resits have been scheduled in November for all students who did not achieve English or maths.

Members were advised that a training session for Governors has been scheduled for 07 November to present the new structure for English and maths.

- **Recruitment**

Recruitment remains a challenge and the shortfall is around 100 to 110 shortfall of students. If the gap remains this will result in a reduction in funding in 2019/20 of £600k. There is increased focus on reducing early withdrawals to address the issues; together with ensuring the percentage of students in higher funding bands is maximised; and attracting additional students through NEET, Traineeship and job focussed training.

Assurance was given that the adult budget will hit its expected targets. Higher education new full time applications should remain on target. Higher Education grant income will be achieved.

Apprenticeship figures are to be confirmed once the ILR is run towards the end of term. Overall the Group expects to exceed target. Doncaster College has secured more Levy contracts than expected. Non-Levy (procured) is currently predicted to meet its full allocation and Levy funded provision has secured £3.4m of apprenticeships for the Group.

7 Doncaster College Sub-Contracting

Following on from the Audit & Risk Committee meeting, the 2017/18 Audit Report (RSM) gave assurance that the proper arrangements were in place for the management and control of the DN Colleges Group Subcontractor provision. Part of the due diligence requirements need to ensure Board approval is given to continue to use Subcontractors as summarised in the report. Also to approve the 18/19 contract values for AEB, Apprenticeships and Traineeships as well as the maximum partner

payments for 2018/19.

Resolution: Members approved the continuation of the four Subcontractors detailed in the report and the 2018/19 contract values. Members also approved the Subcontracting Risk Management Strategy.

9 **Management Accounts to year ended 31 July 2018**

The consolidated management accounts report a surplus of £256k for the financial year ending 31 July 2018, providing a deficit of £267k against the budgeted surplus of £523k. The deficit is primarily being driven by a worse than expected annual accounting adjustments on the LGPS pension liability. The financial results remain subject to yearend audit.

Members were advised the financial health score for 2017/18 is Good, based upon the three financial health measures. P Doherty informed members that the Group financial health score was at the top end of the Good range, and that Good financial health was in line with the plan and budget for 2017/18.

10 **Internal Audit Strategy**

DN Colleges Group has appointed RSM to provide internal audit service for the three years 2018/19 to 2020/21. RSM have prepared the internal audit strategy for the three years and internal audit plan for 2018/19. The Audit & Risk Committee met on 10 October and recommend to the Board for approval.

Resolution: Board approval granted for the internal audit strategy 2018 – 2021 and the internal audit plan 2018/19

A Khan left the meeting

11 **High Melton**

• **Release of Bank Charge**

The Finance and Resources Committee met on 26 September and seek to remove the charge on the High Melton estate as well as reducing the Corporation's revolving credit facility from £3.2m to £1.5m. The Committee request the Board to accept a recommendation to approve a release of the charge by Lloyds Bank on High Melton Assets and the reduction in the revolving credit facility.

Resolution: Board approved the removal of the charge on High Melton and the reduction of the revolving credit facility.

• **VFX Academy Update**

A financial model for the VFX Academy is being prepared in consultation with 360 Degree Media Ltd to inform the legal requirement. A meeting is schedule to be held on 16 October to continue positive discussions. 360 Degree Media Ltd were not able to complete on High Melton sale without getting planning consent, which is set for the end of March 2019. If this is not confirmed by this date Members would retain the option to withdraw from the sale. The 10% deposit to be paid on exchange of contracts is non-refundable and would be retained.

Members expressed concerns and disappointment to the delays and the potential reputational risks. However, there was also recognition of the potential to be transformational impact of the Academy, for both the college and the region, and the need to be patient to submit the proposal to planning. Colleagues are working closely with the Council to seek assurance that planning can be achieved within the timescales provided and that the likelihood on the likelihood of approval.

Resolution: Members endorsed the on-going development with 360 Degree Media Ltd but that concerns be recorded.

12 **Review of Instruments and Articles**

Members were asked to review the membership of the Corporation Board as the DN Colleges Group Board is now established. Members were asked to review the number of governors and to approve the increase of Student members from two to 4. This would allow the election of one HE and one FE Student from each site to attend the appropriate committees.

Members were also asked to approve the proposal that reference to a job share arrangement be removed from Instrument 6 now a full time Clerk had been appointed.

Resolution: Members approved the revisions to the Instruments and Articles with the clarification on member numbers to be reviewed. Members approved the increase of Student membership from two to four. The membership wording is to be confirmed.

Clerk

13 **Minutes of Meetings**

• **Finance and Resources 26 September 2018**

The minutes were reviewed by Members and no questions raised.

14 **Any Other Business**

Members were asked to approve two items.

At the DCTeach Ltd Board meeting on 10 October, it was agreed to recommend for Board approval the change of brand name from teachfe to DN Colleges Recruitment. This would incur a small fee.

DCTeach Board had agreed in principle to payment by gift aid in order to reduce taxable profits, subject to Corporation Board approval.

Resolution: Board approved both items.

15 **Date and Time of Next Meeting**

The next meeting of the Board will be held on Wednesday 12 December 2018, 5.30 pm at Doncaster.

The meeting closed at 8.15pm.

Jo Garrison
Clerk to the Corporation

Signed: (Chair) Date:

TABLE OF ACTIONS			
Date	Minute	Action	Responsibility
15.10.18	3	Prevent and Safeguarding audit for Governor Training to identify Governors who are required to complete the online training.	Clerk
	8a	Review considerations for IoT capital Investment	AVT/ML
	12	Review I&A membership clause and revise I&A and Standing Order accordingly	Clerk