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MINUTES OF THE BOARD MEETING HELD ON WEDNESDAY 22 MAY 2019

Present:

Governors:	Mathew Lynds
Pete Adams	Harold Osborne
Antony Ball	Paul Pascoe
Angela Briggs	Paul Scanlon
Ruth Brook	Paul Senior
Greg Clarke	Louise Sharp
Paul Grinell	Mark Swales
Nigel Jackson	Lee Tillman
Madeleine Keyworth	Anne Tyrrell
Abid Khan	Lee Walker

The quorum for the meeting was nine members.

In attendance

Kathryn Brentnall	Acting Principal, Doncaster College
Jo Garrison	Clerk to Corporation
Peter Doherty	Chief Operating Officer
Mick Lochran	Principal, North Lindsey College
Helen Ainsbury	Interim Director of Digital Technologies (items 1-3)
Emma Turner	Head of Marketing (Items 1 – 4)

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

Item	Minutes	Action
1	Apologies	
	Apologies for absence had been received from Antony Ball, Abid Khan, Charli Byrne, Ross Martin and Luke Savage. A Briggs welcomed new governors to the Board.	
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.	
3	Pro Suite Update / Governor Intranet	
	H Ainsbury provided members with a Pro Suite update. Pro Suite is a sophisticated system to manage college processes. The system can predict achievement and records qualification outcomes. There have been issues with the implementation of the system.	
	The system is currently being embedded and work is underway to improve the process to link the student journey. The system is being utilised in business planning using the Pro Resource suite which has gone well overall. Work continues to improve the Pro	

Engage CRM system for apprenticeship and relationship management with employers. This work continues into early July 2019.

The interactive dashboard went live after Easter and has been well received, phase one has focused on SLT interactions for reporting and phase two will be launched shortly. Governors asked for assurance that the system is improving from an end user perspective. A Tyrrell advised governors' questions could be added to the staff survey to seek feedback on the Pro Suite Solutions. AT

Members were informed the Group intranet should go live during the summer period and the system is being developed internally. Governors will have their own governor intranet site and will have improved accessibility to documentation, information etc. A request was made for a Governor to take part in UAT testing. P Pascoe agreed to test the system. HA/PP

A Tyrrell informed members that H Ainsbury is due to leave in June and the new IT Director will commence on 4 June 2019. A Tyrrell thanked H Ainsbury for all the hard work and contribution she has made.

H Ainsbury left the meeting at 6.01pm

4 Marketing Update

E Turner and A Gethin provided an update on the marketing activity within the group. Current activity includes middle management working on a new communications plan and the creation of an internal communication group that was established in January 2019. Combined events continue to progress well across both sites and have included key external speakers and employers in attendance. These have been taken into curriculum areas and received well.

Promotion of UCNL continues to progress and gather momentum to ensure students have a raised awareness of their HE progression. Branding continues to be developed to ensure a group approach, whilst retaining individuality of both college sites. The newsletters across both sites are working well. P Grinell asked if there could be a hit counter as to how many staff read the newsletter; this is currently not available to capture.

E Turner informed members that significant activity continues to engage schools, employers and different open events are scheduled to ensure all groups are reached.

Due to timing, the presentation was stopped to ensure all agenda items could be covered during the meeting. E Turner agreed to forward the presentation to governors and any questions to be submitted to the Clerk for a response. ET/Clerk

E Turner and A Gethin left the meeting at 6.30pm

5 Minutes of the meeting held on 18 March 2019 and any matters arising

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

Matters Arising:

Item 4 (18.03.19) – The minutes of the meeting held on 12 December 2018 had been amended to show ProSolution update as a fixed agenda item at Board meetings.
Item 5 (18.03.19) – The Post-18 Review document had still not been received and would be forwarded to governors upon receipt.

Item 5 (18.03.19) – an updated on the Strategic Plan Implementation Plan would be included in the next agenda item.

Item 11 (18.03.19) – the updated recommendations tracker had been circulated to Governors.

Item 14 (18.03.19) – Discussions around the creation of an award to honour A Tuscher were on-going.

6 **CEO Report**

A Tyrrell discussed with members the current position of British Steel's compulsory liquidation and confirmed the government was acting as the Official Receiver. Members were informed this had an enormous impact on the local region and British Steel were currently still trading. A Tyrrell advised members this was a difficult period and the group were fully supportive of British Steel.

A meeting between the college and the ESFA had been scheduled for 23 May 2019 to assess the impact to the college and there was uncertainty of the financial resilience. Members were informed British Steel staff would require retraining and possible post redundancy training that the college could aid and support.

The direct impact affects 258 apprentices with 140 due to complete in July. Support will be discussed with the ESFA during the 23 May meeting. A Tyrrell advised members they will be kept informed on progress.

At the last meeting, A Tyrrell reported on the proposal from the DELTA Academy Trust, for a new sixth form in the town centre and it is understood that, despite opposition, the proposal had progressed. The DfE would make the final decision after taking evidence from the Review and also any impact on local schools and the forthcoming University Technical College (UTC). The outcome was expected by the end of May 2019. Governors would be updated on any developments.

A Project Board to oversee and monitor developments on the sale of High Melton and associated VFX TV and Film Academy met for the first time on 14 May. Members of the Board include the CEO and Chair of 360 Degrees Media, Assistant Director for Planning at Doncaster Council, Project Director, Chair of Governors and members of the Senior Leadership Team. The college were clear in what was required to progress. Members of the Board would respond accordingly. A Tyrrell will update members at 01 July board meeting.

At the meeting of the Finance and Resources Committee, held on 6 March 2019, Governors approved a Memorandum of Understanding (MoU) to enter into partnership with Club Doncaster Sports College (CDSC). The MoU covered the delivery of FE provision on a subcontract basis and for FE on a partnership working basis.

A tender was advertised for the FE sub-contract work in accordance with the College's and EU procurement regulations. CDSC were the only bid received, and this was compliant with the tender. A letter of intent had therefore been sent to CDSC advising that, subject to final governor approval, the contract would be awarded to them. Draft contracts had been exchanged and the standard due diligence processes followed through. CDSC had advised their existing partner, Selby College that they would be changing from the new academic year. The estimated contract value of £594,000 was over the £100,000 threshold, and as this was a major sub-contract commitment for the College, it required confirmation by governors for the CEO to sign the contract documents. Governors were asked to approve the CEO to sign and expedite the contract with Club Doncaster.

A Tyrrell discussed a new standing item with members. In order to ensure Governors were informed of any events impacting on business continuity, there would now be a standing item (including where there is nothing to report). Within the CEO report, for example, this would include significant health and safety issues arising since the previous report and any issues leading to closure or part closure of the Colleges. The item would include actions taken and lessons learnt.

On 26 March 2019 the East Block at Doncaster College was closed following evacuation when the fire alarm activated. This was a result of toast being burnt and activating smoke detectors in the affected area. The alarms could not be reset and it was evident that there were faults in the alarm system that would take significant time to rectify.

A message was posted on the website advising of the closure the following day for students based only in East Block. Students were contacted regarding directed independent study where appropriate and also to encourage use of the LRC. All staff were instructed to attend work and to check in with their Line Manager on arrival.

Provisions were made for staff to work from alternative offices, library spaces and other communal areas. Employers of apprenticeships were contacted directly to advise of the closure. At around 12.30pm it was confirmed that the fault had been rectified and for students to return the following day.

The building re-opened as planned at 2.00pm and opened fully to students from the 28 March. These messages were relayed by Global Email for staff and on the College website for students.

A detailed report, together with lessons learnt and follow up actions was completed and it was recommended that the Incident Response Team meet again to close the loop and ensure actions had been taken and to consider further guidance in the event of future closures.

P Grinell requested assurance regarding concerns that asbestos had been found at the UCLN site which could delay works. L Sharp assured Governors that the asbestos work would not impact on the go-live date. A Tyrrell also informed members there had been some rain damage to the top two rooms during work to the roof, which would prevent some rooms being ready for use in September.

Resolution: Governors approved the contract with Club Doncaster.

7 **Performance Monitoring**

M Lochran updated members that the overall attendance across the group was 82% with 16-18 attendance at Doncaster being 83% and North Lindsey 81%. Industrial Technologies and Construction (earlier in the year) at North Lindsey were the main cause of attendance issues and this had now improved, although still suppressing the overall figure. English and maths attendance have improved to 74% at North Lindsey and 70% at Doncaster College and this remained an area of focus by curriculum teams.

Functional Skills L1 achievement remains a concern across the Group and additional resources were being targeted to support students to achieve. The number of 16-18 predicted to achieve Grade 4 was projected to increase to 24% for English and 20% for maths which would demonstrate a significant improvement on previous years with 19+

being 30-35%.

Overall apprenticeship achievement rates across the group were projected to improve from 73% (NA 69.4) to 76% with 74% at Doncaster College and 78% at North Lindsey. Group improvement target is 75% with a stretch target of 80%. Timely apprenticeship achievement rates were projected to improve from 64% (NA 61%) to 71% with 72% at North Lindsey and 70% at Doncaster College. Group improvement target is 66% with a stretch target of 70%.

In year retention remains above target at University Centre Doncaster and at University Centre North Lindsey. Overall completion rates at University Centre North Lindsey are projected to be 91% and 92% at University Centre Doncaster.

Governors asked what concerns are current around performance. M Lochran advised the issues implementing Pro Suite and the usage of spreadsheet to capture data had been a concern, but this had improved as the system embeds. With the £1m growth in HE, there were concerns over where to place that growth and reconfigure to create space.

8 **CATCH Partnership**

M Lochran gave an overview of CATCH to members. North Lindsey has developed a partnership with the Competence Assessment Training Centre Humber (CATCH) which is strategically placed on the North/North East Lincolnshire border. CATCH was an employer led organisation with over 200 members including the blue-chip chemical companies on the Humber bank. The College had been delivering full time and apprenticeship provision at CATCH and was looking to expand this. The relationship with CATCH had been central to the College obtaining several contracts including:

Siemens Wind Turbine Apprenticeship
The Humber Process Apprenticeship
The West Yorkshire Process Apprenticeship
ECITB ITEC scheme

The College had developed a profit share relationship with CATCH, however this did not provide the certainty required by CATCH and a new hybrid model had been agreed. The College would occupy 2 workshops and 5 staff/classrooms at the Centre to deliver full time ECITB ITEC Courses and apprenticeships.

It was proposed to develop a model that pays a fixed rent plus a performance related fee based on provision delivered. The turnover from CATCH related provision in 2019/20 would be £824,400 with a planned operating surplus of £67,770 rising to £1.5m with an operating surplus of £482,253 (with existing provision only).

Stage 2 of the partnership would be to second the CATCH Skills Business Development Manager to the College to actively develop Engineering provision across the Group. This would cost an additional £58,000 per annum and had the potential to grow the provision both in the Humber and South Yorkshire.

SLT had approved moving to a full business plan and request agreement by governors including a valuation on space rented.

Resolution: Governors approved the request to move to a full business plan

9 **Chair's Action**

In accordance with Financial Regulations, Chair's Action was sought and granted in recent months for the approval of settlement agreements for six staff (two Doncaster College and four North Lindsey College), with a total cost of £105,253.

Governors were advised these settlements have enabled both Colleges to minimise potential disruption to teaching and learning and to further develop effective staffing structures.

10 **Tuition and Examination Fees Policy 2019/20**

P Doherty presented the revised draft policy for 2019/20. This had been transferred into the new policy format and some very minor changes. The key changes from the 2018/19 policy were:

- Employer element of apprenticeships reduced from 10% to 5% (in line with ESFA funding guidance) (section 5.4).
- Evidence of financial support to be obtained prior to enrolment (section 5.10).
- Scope for payment period for high value apprenticeships to be extended to over 12 months with prior agreement from the Principal or the Director of Finance (section 5.11).

The Tuition and Examination Fees Policy 2019/20 was recommended to the Corporation Board for approval.

Resolution: Corporation Board approved the Tuition and Examination Fees Policy

11 **Management Accounts to 31 March 2019**

P Doherty presented the management accounts and reported a surplus of £285k for the 8 months to 31 March 2019. There was a shortfall of £512k against the budgeted surplus for the period of £797k. The revised forecast surplus for the year of £737k was £626k below the budgeted full-year surplus of £1,363k.

In both cases the overall adverse variances comprise of pay and non-pay costs exceeding budget, compensated by a lesser increase in income.

The Financial Health grade for the 8 months to 31 March 2019 was Good (at the top end of the range). The forecast Financial Health grade for the full year was Outstanding (towards the bottom end of the range). Cash balances for the year remain strong and were sufficient to meet all current commitments. Bank covenants with both Lloyds Bank and Santander were effectively managed and comfortably within tolerances

12 **Cleaning and Catering Contracts Services**

Members were informed of the current in-house or out sourced cleaning and catering contract services, across North Lindsey and Doncaster college sites. After significant analysis of costings, Doncaster cleaning staff would be brought back in-house and North Lindsey catering would also become an internal provision.

P Doherty informed members that running the tender for the cleaning contract had put clear focus on the cleaning needs and the associated costs. The decision to bring the

Doncaster operations back in-house should deliver savings of £22k in the first year and £35k in subsequent years. Irrecoverable VAT on charges from outsourced contractors had been a significant factor in the calculations.

The catering surplus was expected to increase by £10k as a result of the ending of the contract at North Lindsey. Detailed changes will need to be put in place to manage an additional number of purchase invoices, to ensure card payments feed through to the College, and to manage processing an additional amount of cash takings.

Governors were asked to note the outcome of the Cleaning Services tender and endorse the decision to revert to in-house delivery at both Colleges in order to achieve savings. Also that Governors note the decision reached in relation to catering arrangements at North Lindsey and endorse the decision to revert to in-house delivery at both Colleges in order to increase the operational surplus.

Resolution: Governors approved the changes to the cleaning and catering contract services

13 **Capital Budget 2019/20**

DN Colleges Group was planning further infrastructure developments over the Summer of 2019, which would need to be in place for the start of 2019/20 academic year to enable the improvements to take full effect and minimise any disruption for students and staff.

The College was also preparing its financial plan for 2019-2021 (including the annual budget for 2019/20) which was scheduled for approval by the Corporation Board on 1 July 2019 and for submission to the Education and Skills Funding Agency by 31 July 2019.

A key capital expenditure priority was Doncaster College's IT infrastructure, where significant investment was required to address ageing IT hardware and outdated operating systems arising from historical financial pressures and in order to provide students and staff with the same high-quality resources and experience at both Colleges.

It would also enable standardisation of the IT estate which in turn would simplify the support requirements for IT infrastructure staff. This is a significant project which requires careful planning and scheduling. However, there is an opportunity to prioritise and afford further time for this implementation by bringing forward some of what would be 2019/20 capital expenditure into 2018/19. This is because the capital budget for 2018/19 of £2.25m is currently forecast to underspend by £350,000, with estates upgrades at North Lindsey College deferred following concentrated focus on the University Campus North Lincolnshire project.

Subject to Corporation Board approval, the proposal is to re-assign the forecast £350,000 estates capital underspend to become IT capital spend in 2018/19. At the same time, there is also a requirement for early approval of some element of the 2019/20 capital budget in order to accommodate purchasing and implementation lead times and be ready for the start of the 2019/20 academic year.

Governors were asked to approve the re-assigning of £350,000 of the 2018/19 capital budget to IT and early approval of £1.25m for the 2019/20 capital budget that will enable key Summer 2019 developments to proceed and to minimise the risk of adversely impacting upon students and staff at the start of 2019/20.

Resolution: Governors approved the re-assignment of £350,000 of the 2018/19 capital budget to IT and early approval of £1.25m for the 2019/20 capital budget.

L Sharp left the meeting at 7.47pm

14 **Release of Lennartz VAT Liability**

In July 2018, a VAT assessment was received from HMRC in respect of Doncaster College's Lennartz liability for the VAT periods July 2016 to October 2017 (Doncaster College's final VAT period).

The total value of the assessment was £1,185,627.26 (£1,167,744 VAT plus £17,883.26 interest charged at 3% pro-rata). The assessment was discussed with Doncaster College's retained VAT consultant (VATangles) and the following points were challenged with HMRC:

Doncaster College's "Lennartz" assessment period was originally identified as 10 years, commencing the period ending 31 July 2007 and therefore the final period of assessment should have only been to 30 April 2017. Two additional assessment periods to 31 October 2017 had been wrongly included – removing this VAT error of £389,248 reduced the VAT liability to £778,496.

VATangles also believed that because the assessment had been raised post-dissolution of Doncaster College the "Lennartz" VAT liability could not be valid as Doncaster College no longer existed and neither could the liability be transferred to DN Colleges Group.

Based on the professional advice and assurances received, the Corporation Board was invited to approve the proposed write off the £898k Lennartz VAT liability within the College's 2018/19 financial statements and to approve the payment of VATangles' invoice of £186,839.04, including VAT.

Resolution: Governors approved writing off the £889k Lennartz VAT liability within 2018/19 financial statements and approved payment of £186,839.40 to VATangles.

Due to a declared conflict of interest for agenda item 15 L Walker left the room at 19.49pm

15 **Utilities Procurement**

Both Colleges have used consultants and entered into fixed term arrangements for the procurement of utilities in the past. Existing arrangements were reaching an end. Following the merger there was a wish to harmonise arrangements across the group, seeking economies of scale in a single contract for each fuel type (Electricity and Gas).

Tenet Services, the group's Procurement Consultants, advised a number of different options to access frameworks or tender in the market. After review the decision was taken to use the framework offered by Crescent Purchasing Consortium (CPC) as this was devised with FE Colleges in mind and offered a choice of suppliers.

Revised prices were now deemed the best available, and as both colleges were now on standard tariff (following the end of the fixed arrangements) there was an urgency to enter into new arrangements. Electricity costs were some £50k p.a. higher than previous prices, but Gas prices were some £14k p.a. lower.

Governors were asked to agree delegated authority to the Chief Operating Officer and Chief Executive to enter into three year utility contracts broadly similar to those outlined above, as soon as reasonably possible, and on the advice of UPG.

Resolution: Governors approved the COO and CEO to enter into a three year utility contract.

L Walker re-joined the meeting at 7.57pm.

16 **SPH Remuneration Code**

The Clerk advised members that the Association of Colleges (AoC) produces the Colleges Senior Post Holder Remuneration Code and guidance to support colleges in good governance practice. This is to ensure colleges remain at the forefront of good governance nationally and in response to the new Office for Students (OfS) regulatory requirements and in part as a response to the political and media interest in senior staff pay.

The Remuneration Code supports colleges in meeting the requirements for registration with OfS and ESFA reporting and ensuring efficient and consistent practice across educational sectors.

By visibly adopting the Remuneration Code, governing bodies demonstrate leadership and stewardship in relation to remuneration within their institution and in doing so help to protect institutional and sector reputation and provide greater assurances to key stakeholders and partners, including the student community and wider society. Members were asked to adopt the code.

Resolution: Governors approved the adoption of the Remuneration Code.

17 **Standing Orders**

The Search and Governance Committee had agreed on 17 October 2019 that the DN Colleges Group would adopt the North Lindsey College Standing Orders. The document had been updated to reflect the change to DN Colleges Group, changes in terminology, and any revised guidance issued by external bodies. Governors were asked to review and approve the changes to the Standing Orders.

Resolution: Governors approved the changes to the Standing Orders

18 **Minutes of Meetings**

Committee minutes were submitted to the board.

- Finance & Resources – 6 March 2019
- Audit & Risk – 13 March 2019
- HE Performance & Quality – 25 March 2019

19 **GDPR Personal Emails**

The Clerk requested written approval from all governors to authorise the sharing of personal email addresses. Prior to GDPR requirements, governors had shared

personal email addressed. Four new governors have joined the board since May 2018 data protection changes. Governors have a college email account where personal and commercially sensitive data is circulated. However sometimes personal emails will be used to alert governors to emails that have been issued to the college address. Governors were asked to give written consent to the sharing of personal email addresses.

20 **Any Other Business**

a) Events Calendar

Members were asked to review the events calendar and inform the Clerk and Governance PA of any events they wished to attend.

b) Safeguarding Training

P Grinell raised concerns as to the format of the recent safeguarding training undertaken on 20 May 2019 and it was unacceptable to not raise questions. He also raised concern to the volume of paper documentation circulated for the training which was not referred to during the session. A Tyrrell confirmed future training from key staff would be reviewed and feedback provided as to lessons learned.

*G Clarke left the meeting at 8.12pm
M Lynds left the meeting at 8.15pm*

c) Confidential Update

The minutes for this item are kept separately by the Clerk to the Corporation.

d) Confidential – SPH Salary Review

The minutes for this item are kept separately by the Clerk to the Corporation.

21 **Date and Time of Next Meeting**

Monday 01 July 2019, North Lindsey College.

The meeting closed at 8.20pm.

Jo Garrison
Clerk to the Corporation

Signed: (Chair)

Date:

TABLE OF ACTIONS

Date	Minute	Action	Responsibility
22.05.19	3	The interactive dashboard went live after Easter and has been well received, phase one has focused on SLT interactions for reporting and phase two will be launched shortly. Governors asked for assurance that the system is improving from an end user perspective. A Tyrrell advised governors' questions could be added to the staff survey to seek feedback on the Pro Suite Solutions.	A Tyrrell
22.05.19	3	Members were informed the Group intranet should go live during the summer period and the system is being developed internally. Governors will have their own governor intranet site and will have improved accessibility to documentation, information etc. A request was made for a Governor to take part in UAT testing. P Pascoe agreed to test the system.	H Ainsbury / P Pascoe
22.05.19	4	Due to timing, the presentation was stopped to ensure all agenda items could be covered during the meeting. E Turner agreed to forward the presentation to governors and any questions to be submitted to the Clerk for a response.	E Turner / Clerk
18.03.19	5	A Tyrrell informed members the Post-18 Review had not yet been received and highlighted there could be significant concerns once the recommendations were received for Colleges and Universities. This would be circulated by A Tyrrell upon receipt.	A Tyrrell
18.03.19	14	P Adams raised the enormous amount of work and years of dedication that A Tuscher has given to the College Group. P Adams asked members to consider a building be named to honour that commitment from A Tuscher. A Tyrrell advised members that the naming of buildings had ceased several year earlier and suggested an award be created in honour of A Tuscher. A Brigg and A Tyrrell will discuss this with A Tuscher.	A Briggs / A Tyrrell