

MINUTES

Corporation No. 125

Date: *12/07/2016 (Tuesday)*

Time: *18:00–20:00*

Venue: *Bowland Suite*

Committee: *Corporation*

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

Present: *Adrian Boreham, Allan Foster, Ann Turner (Principal), Clare Platt, Garry Payne, Gerry Corless, Ian Douglass, Ian Higginbotham, Jane Booker, Marion Nuttall, Megan Cook, Robert Robinson, Steve Rigby (Chairman), Stuart Heys (Vice Chairman) and Zoe Jones*

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

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

Guests: *Ishwer Tailor (Co-opted Member), Richard Furnival (Co-opted Member) and Sarah Ellis (Co-opted Member)*

Apologies: *Jean Yates*

Public Minutes

Item number: Item description:
(and category)

29.16 Attendance of Co-opted Members of Committees and Members of Management

Decision

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 may however, exclude staff from attending any business 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 discussions and debate although not having a vote.

Resolved:

That the attendance of Co-opted Members of Committees and members of Management be in attendance at the meeting.

30.16 Apologies for Absence

Record

Apologies for absence were received from Jean Yates. Megan Cook and Zoe Jones were not in attendance at the meeting.

31.16 Public Minutes of Previous Meeting

Decision

The public minutes of meeting number 124 held on Tuesday 15 March 2016 (published on the extranet) were signed and agreed as a true and correct record of the meeting.

32.16 Declarations of Interest

Record

There were no declarations of interest made in respect of items on the public agenda.

33.16

Chair's Opening Remarks

Information

The Chair informed Corporation of the various events he had attended on behalf of the College. These included a Landex and Association of Colleges meetings, details of which were picked up later in the meeting. He also complimented the College on the high standard of the recent Graduation and Awards Ceremonies that he and other members of Corporation had attended.

Jean Yates was retiring from the Board after an eight year period of service. On behalf of the Corporation the Chair wished to acknowledge the support and contributions Jean had made to Governance in the College. Members were disappointed that circumstances had led to Jean registering apologies for this her final meeting of the Board. They requested the Clerk make arrangements to invite her back into College for an informal presentation to acknowledge her service.

Resolved:

i That the Chair's opening remarks be received.

ii That the retirement of Jean Yates be noted.

34.16

Student Voice

Information

Corporation gave consideration to the Myerscough Student Union (MSU) Annual Report, the MSU Sustainability Award document and the MSU Committee appointments for the year 2016 / 2017.

The new permanent position of Student Union Liaison Officer had now been in place for one academic year. It had been created to provide consistency and support to the MSU. In line with procedure the Student President had been elected from the existing student body for the academic year 2016 / 2017. Feedback for the new arrangement was positive and backed up by achievements which included charitable fundraising, community links, awards and other activities.

The MSU anticipated a successful 2016 / 2017. The new MSU Committee was in place and a poster with photographs of the officers was provided with the papers. Equine BSC (Hons) student, Rebecca Fitzsimmons had been elected for Student President for 2016 / 2017. Rebecca had studied FE Equine at Croxteth and was therefore well placed to bring the Centres perspective to the MSU.

Corporation noted a successful year and welcomed the report. They congratulated the MSU on achieving the bronze award from the National Union of Students Green Impact accreditation scheme. They

also noted and welcomed Myerscough MSUs external perspective through visits, target setting and some benchmarking.

Resolved:

That the Myerscough Student Union Report be received.

35.16

Information

Association of Colleges Chief Executive

The Association of Colleges had appointed a new Chief Executive. David Hughes who was currently the Chief Executive of the Learning & Work Institute and would take up the position in September 2016.

Resolved:

That the appointment of David Hughes as Chief Executive of the Association of Colleges be noted.

36.16

Information

Governor Involvement

Governors informed Corporation of their recent visits to the College. These included a mixture of social, support, safeguarding and academic area visits.

The visits gave members a further perspective to support their decision making, monitoring and assurance remit.

Corporation noted the College efforts to embed British Values in the curriculum, the developments in the Skills & Apprenticeship area, assurance of fulfilling safeguarding roles, confidence in the Board processes, highly successful Open Day and Graduation & Awards Ceremonies.

Resolved:

That the verbal update from Corporation members be received

37.16

Decision

Report of the Finance and Resources Committee of 7 June 2016

The Finance & Resources Committee Chair reported on a number of items for information.

The Principals Strategic Plan Progress Report - As anticipated recruitment was behind target though overall financial performance was good and in line with the Strategic Plan.

Financial Position Statement for Period Ended 30 April 2016 - The College had generated a 8.6% surplus as a percentage of income Pre-

FRS17 which was ahead of target to date. The balance sheet remained healthy with a current ratio of 1:1.36 and cash days of 55.

Capital and Revenue Cash Flow for Period Ended 30 April 2016 -The forecast continued to show that the College would maintain its financially sound position throughout the period.

Capital Expenditure Report for Period Ended 30 April 2015 - The forecast outturn indicated the Capital Plan delivery was within the 3% tolerance level of the plan, actual figure being 0.96%. Projects were on schedule to be delivered to planned time frames.

Myerscough Ventures Report for Period Ended 30 April 2015 - It was proving to be a challenging year for Myerscough Ventures with most areas not meeting the ambitious targets largely due to vacancies in the residencies and impact of the living wage.

FRS 102 - The new FE / HE SORP Reporting Standard - Colleges were required to adopt the 2014 Standard of Accounting Practice (SORP) for the 31 July 2016 year end. In this transition year there were two key areas where options were available and decisions required; valuation of fixed assets and government grants. Following extensive debate members had requested further information to be considered at a special meeting of the Finance & Resources Committee so that a decision could be made at this meeting of the Corporation. The consideration and decision are reported at Corporation minute 38.16 later in this meeting.

Student Bursary Funds Allocation 2016 / 2017 Each College was now required to design and implement its own bursary scheme. The funds served to support those from low income households in accessing education. There was a reduction in funding to £729,575 from £996,160 last year.

The following were agreed:

1. FE Bursary Fund Policy 2016 / 2017;
2. FE Bursary Fund Application Form 2016 / 2017;
3. FE Bursary Continuing Application Form 2016 / 2017;
4. HE Bursary Fund Policy 2016 / 2017;
5. HE Bursary Fund Application Form 2016 / 2017
6. HE Duchy of Lancaster Application Form 2016 / 2017

7. Scholarship Application Form 2016 / 2017.

Higher Education Access Agreement – The College Access Agreement set out the tuition fees and financial support arrangements for students entering higher education programmes at Myerscough College that were contained in the direct contract with HEFCE from September 2017.

Since the meeting Corporation noted that, as agreed and in line with others in the sector, the fees for Honours and Foundation degrees would rise from £9,000 to £9,250 per annum. In accordance with consumer legislation fees were published.

Fees are per annum in 2017 / 2018:

Foundation Degrees and Honours degrees £9,250

Module price for part time undergraduate course £900

Masters Degree (set by Uclan) £6,000

Module price for part time Masters course £625

Module price for part time teacher training course £675

College Funding

There was a decrease to the funded numbers as expected which had been previously highlighted to the Committee. This translated to a total reduction of £420,021 after the impact of student numbers and removal of formula protection (£376k). The impact has been mitigated by the increase in cost weighting for land-based specialist courses and the proportion of learners on higher funding bands (those study programmes with a greater number of hours).

Apprenticeship Levy

In April 2017 there would be changes in the way the Government funds apprenticeship training. Employers operating in the UK with a paybill over £3million pound would be required to pay into the new Apprentice Levy Fund at a rate of 0.5% of payroll. For the 2016 / 2017 budget the levy due from Myerscough would be c£23,000 according to its introduction in April 2017. The opportunity to access funds to train apprentices within Myerscough was also noted as an opportunity for growth and this levy would be utilised for appointment of apprentices in appropriate roles across College.

Human Resources Report for the Period Ended 30 April 2015 - Staff Turnover was up, below the national benchmark, but up in all categories except catering. There was an increase amongst teaching staff citing stress and workload as a reason for leaving. A staff survey had been issued in April 2016 and the results were now being analysed.

Health and Safety Report for the period ended 30 April 2015 - The Report provided an analysis of accident statistics over the period together with other Health and Safety activity including policy updates, staff training, wellbeing, auditing, safeguarding and inspections. A Health & Safety Review Report for Motorsports was also considered. There had been a reduction in accidents / incidents in the period in comparison with the previous year. Slips, trips and falls remained the most reported accidents. There was one apprenticeship accident reported under RIDDOR. Equine was the highest area for accidents. Investigations were due to take place to identify trends. Corporation expressed satisfaction with the management of the various aspects of the College's finances, Human Resources activity, and Health & Safety matters for the period ended 30 April 2015 and was pleased to note that overall the finances of the College remained in a healthy state.

Resolved:

That the above matters of information from the Finance & Resources Committee meeting of 9 June 2016 be received and actions endorsed.

38.16

Decision

Report of the Finance & Resources Committee of 4 July 2016

Finance & Resources Committee minute 38.16 refers

The Chair of Finance & Resources Committee reported on items requiring a decision and an item for information.

Colleges were required to report their accounts for the year ending 31 July 2016 under the new financial reporting framework. Governors had received reports and information to support a review of accounting policies. The two main areas requiring a decision were the treatment of Capital Grants and Asset Valuation.

Corporation noted Finance & Resources Committee had requested additional information before making recommendations to the Board.

Capital Grants

The College's external auditors RSM had stated that the majority of Colleges they represented were adopting the accruals methodology due

to concerns around the potential for large year on year movements in the Income & Expenditure accounts.

Nat West bank had agreed to provide a letter of comfort to Governors regarding the potential impact on the loan covenants to provide assurance that if the change in accounting treatment did put the College in danger of breaching the covenants they would review this with the College and reset the covenants appropriately.

Asset Valuation

RSM had reported that a large proportion of FE sector clients were continuing with their current valuation policies, value at cost and depreciate over time, for a variety of reasons. The main reason against the 'fair value' route being that providing valuations for specialist resources was subjective and may not deliver significant increases. Some Colleges were concerned that the impact of any increase would be an increased depreciation charge which would affect their financial position. The costs of providing such a valuation for Myerscough have proved difficult to ascertain but would not be insignificant because of the size and extent of the estate.

Members noted that there would be other changes as a result of the new SORP relating to the presentation of primary statements and additional disclosures. The College had already adopted the changes to reflect the cost of outstanding employee benefits e.g. holidays by adjusting the holiday year.

Corporation was satisfied with further explanations and assurances and concurred with the Finance & Resources Committee recommendations.

College Dashboards – Matter for information

The dashboard for Finance confirmed previous information on the College finances provided by Management at various meetings.

Resolved:

- i. That in preparation of the final accounts under the new reporting requirements of FRS 102 College continue with the existing policy in relation to the treatment in the accounts for the value of fixed assets.**
- ii. That in preparation of the final accounts under the new reporting requirements of FRS 102 College adopt the accruals model, in relation to the treatment of Government Grants.**
- iii. The information on College Dashboards be received**

39.16

Decision

Report of the Audit & Governance Committee of 28 June 2016

The Chair of the Audit & Governance Committee reported on the meeting which contained matters requiring decisions from the Corporation.

Matters Requiring Confirmation by Corporation

Financial Statements Audit and Regularity Audit Annual Plan for the Year Ending 31 July 2016.

Consideration was given to the Audit Plan prepared by RSM, the College Financial Statements and Regularity Auditors, for audit work relating to the year ending 31 July 2016.

The Audit Plan included details of RSM's fee for 2016 together with an additional fee for work on the first year of the revised accounting standards which would be determined once the amount of work required had been confirmed. Key areas of audit focus would be income recognition, pension scheme liabilities, going concern, management over-ride of controls, staff costs, accommodation / capital development and key financial controls, together with the revised accounting standards of FE / HE SORP. The statement accompanying the accounts should make reference to the impending Area Review. Corporation was appreciative of the 'Emerging Issues' information included as an appendix to the report. Corporation noted the full discussion and due consideration from Audit & Governance Committee and concluded that the proposed Financial Statements and Regularity Audit Plan was satisfactory and provided value for money and as such it was:

Resolved:

That the Financial Statements / Regularity Audit Plan for the Year Ending 31 July 2016 be approved.

Internal Audit Plan for 2016 – 2017

The Committee had considered the internal audit plan presented by RSM which had been produced following discussions with management.

The Committee together with management had proposed a number of amendments to the Plan and the timing of the individual audits. The Plan was now proposed as:

1. UK Visas and immigration compliance review - Autumn term 2016 (4 days)

2. Framework for compliance with the Counter Terrorism and Security Act 2015 - Autumn Term 2016 (5 days)
3. Curriculum Planning - Spring Term 2017 (5 days)
4. Capital and Estates Management - Spring Term 2017 (5 days)
5. Catering key control frame work including value for money - Summer Term 2017 (6 days)
6. Follow up Report to provide assurance on progress with identified actions (2 days)

There would also be 2 days allocated as contingency and 4 days for management of the internal audit.

Corporation was satisfied with the revised Internal Audit Plan for 2016 / 2017.

Resolved:

That the revised Internal Audit Plan be approved as submitted.

Membership of Corporation – Co-opted Governor Ishwer Tailor

The current term of office for Ishwer Tailor as a Co-opted Member of the Audit & Governance Committee was due to expire on 31 July 2016 at which time he would have completed three, one year terms of office.

Following due consideration it was

Resolved:

That Ishwer Tailor be re-appointed as a Co-opted Member of the Audit & Governance Committee for a fourth period of one year commencing 1 August 2016.

Student Governor Appointment

The Clerk had informed the Committee that following an election the student body had appointed Rebecca Fitzsimmons, an HE Equine student, as Student President for the academic year 2016 / 2017. Rebecca was therefore nominated as a Student Governor. A second Student Governor had not yet been nominated.

Resolved: That Rebecca Fitzsimmons be confirmed as a Student Governor for the academic year 2016 / 2017.

Governor Vacancies

Audit & Governance Committee had recommended that Sarah Ellis and Richard Furnival, Co-opted Governors, be approached to enquire if they

would consider the appointment as full Governors. Corporation noted they were both agreeable to the position and gave the appointments consideration. The Committee had also recommended that in light of the impending Area Review, which would run into the first quarter of 2017, the Chair of Corporation, Stephen Rigby's term of office be extended to 31 July 2017.

Resolved:

- i. **That Sarah Ellis be appointed as a Governor for a four year term commencing 1 August 2016 to serve on Finance & Resources Committee.**
- ii. **That Richard Furnival be appointed as a Governor for a four year term commencing 1 August 2016 to serve on Finance & Resources Committee.**
- iii. **That the term of office of Stephen Rigby be extended to 31 July 2017.**

Timetable of Meetings 2016 / 2017

The Timetable of Meetings for 2016 / 2017 had been compiled along previous lines. Again training, apart from the November session, would be undertaken prior to each Corporation meeting. Formal meetings take place on Tuesday evenings commencing at 6pm unless otherwise notified. Additional meetings due to the Lancashire Area Review process would be communicated to members. The dates for the Awards Ceremonies at East Lancashire and Merseyside were to be confirmed.

Resolved:

That the Timetable of formal Meetings be agreed.

Membership of Committees

The Committee gave consideration to the proposed Membership of Committees for 2016 / 2017 which would be amended to reflect the appointments of Sarah Ellis and Richard Furnival as full Governors serving on the Finance & Resources Committee. There was 1 vacancy on the Audit & Governance Committee.

Resolved:

That the proposed Membership of Committees for 2016 / 2017 be agreed subject to the above addition.

Other Matters for the Information of the Corporation

Replacement of Internal Audit Manager.

RSM had appointed Jude Bickerton as Internal Audit Manager. Audit & Governance Committee had previously met Jude and was pleased to welcome her to the meeting in her new position. They also acknowledged the professionalism of David Fletcher and requested the Clerk convey their best wishes to him in his new employment.

Management Letter 2015 - Action Plan

Three recommendations were complete with the remaining one, a review of Corporation tax liability, underway with support and advice from RSM.

Internal Audit Reports – May 2016

The Committee had given consideration to the Internal Audit reports. Recommendations were graded according to their level of importance with Grade 1 being of high importance, 2 of medium importance and 3 of low importance.

The first audit covered Human Resources – 'Framework for Performance Management' and focussed on the performance management and enhancement of staff. The report found overall that processes were well designed with a high level of compliance. There was one recommendation made at level 3 relating to the design of policies.

The second audit related to a review of the recommendations made in the 2014 / 2015 audits and found that of the 19 actions proposed, 15 had been fully implemented and the remaining four, of low priority, were progressing.

Corporation noted that the Committee was satisfied that all issues raised by the audits had been addressed or would be in the future, by management, when the time arose.

Internal Audit Progress and Summary Report Incorporating Internal Audit Report May 2016

The Committee had noted that of the 53 recommendations proposed, 45 (85%) had been implemented, 3 (6%) were on-going, 5 (9%) were not yet due, and no items were outstanding.

Risk Management Summary Plan 2015/2016

There were a number of questions raised about elements within the summary report and a suggested amendment to the scoring on one

particular issue. Management responded to all issues raised including the suggested amendment to the scoring.

A full Risk Register review was underway. The Deputy Principal Finance & Corporate Services intended adding a strategic element and method of capturing operational risks to drive the awareness through departments and right across the organisation. The work would be completed over the summer. The new format would be presented to Committee in November. Corporation welcomed the review. RSM were able to offer a complimentary training session led by Stephanie Mason who prepares the Emerging issues document. Audit & Governance Committee had requested the Clerk arrange a session after the Area Review process was completed.

Data Returns Monitoring Report

The report listed all returns and showed that the College had met all necessary deadlines.

Governance Quality Improvement Plan

The Governance Quality Improvement Plan for 2015 / 2016 showed progress against targets. The Board was now 90% compliant with the Code of Good Governance for English Colleges.

Governor Training

The training session to be held prior to the Corporation meeting in July would be allotted to an update on the Area Review process.

Audit Committee Annual Cycle of Business 2016/2017

The annual business of the Committee for 2016 / 2017 was agreed.

Governor Jean Yates

The Chair had made reference to the fact that this would be the last Audit and Governance Committee meeting prior to the retirement from the Corporation of Governor Jean Yates. On behalf of committee members, he thanked her for service to the Committee for the last eight years. Jean responded and wished the College well for the future. Corporation concurred with the sentiments.

Resolved:

That the matters for information be received.

40.16

Decision

Report of the Quality & Standards Committee of 5 July 2016

The Chair of Quality and Standards Committee reported on the meeting.

Strategic Plan Progress Report 2015 / 2016

In Year Performance Data Further Education (FE) Report

Attendance (95%), punctuality and retention (expected to hold at 95%) were high which boded well for success rates. Members were pleased to note the pass rate for GCSEs should be up as there was much improved attendance at the exams.

Members looked in detail at the summary of the key areas for improvement. It was clear that analysis allowed staff to pinpoint exact pockets of concern and check if there were any indications of underperformance in protected characteristics.

In Year Performance Higher Education Attendance and retention rates were high, 97% as at 1 June 2016. Initial results indicated that achievement was up which should translate through to favourable success rates. Seven new degree programmes which complimented other provision were open for recruitment for 2017 / 2018 starts. 71% of HE students had completed the National Student Survey (NSS). Results would be used as the primary indicator of student experience in the higher education sector and provide key strategic targets for higher education.

Research income was up, £54k but fewer research projects had led to lower engagement at conferences and fewer papers published. Myerscough still featured as the top performing Higher Education institution of those inspected under QAAs Higher Education Review.

Apprenticeship & Skills Performance Report Update 2015 / 2016

Restructures had aligned Apprenticeships & Skills with the FE and HE College delivery so lessening the risk of a silo approach. This also provided opportunities to share good practice.

As previously reported there was still some residual withdrawal data present that would negatively affect the current year's success rates, particularly 'timely' achievement.

The gender success rate gap was decreasing.

90% of lessons observed were graded Outstanding or Good.

Corporation noted Quality & Standards Committee reported on successful strategies which would begin to yield targeted results.

The Board had requested training to gain further knowledge of Apprenticeship & Skills delivery in the College.

Learner Voice

Interim results from the Learner Surveys and feedback from course representative meetings were reported on as was the Higher Education

student led Golden Roses teaching Awards. Surveys showed high satisfaction with teaching and learning. The satisfaction level dropped slightly for FE students against catering, maths, transport and awareness of the Student Union. For Apprenticeships it appeared to be induction, PREVENT and British Values. The latter two were due to a timing of information release. The National student survey results were not yet available but the response rate was 71%.

Employer Voice

The Skills Funding Agency survey would benchmark Myerscough against other Colleges and form part of the publically accessible information that would be available on the new digital Apprenticeships website. The latest available data showed good satisfaction levels with an upward trend and good performance when benchmarked against other land-based colleges.

The number of active businesses was 1201 which was below this year's target.

Teaching, Learning and Assessment

There was an increased percentage of staff achieving a Grade 1 or 2 (Outstanding and Good) lesson observation for both HE and FE. The number of Outstanding FE lessons had shown a significant rise. There was good feedback from the external mock Ofsted. Members were pleased to note use of information technology, a previous area for improvement, was seen as a strength.

Quality Improvement Plan (QIP) 2015 / 2016 Update

Most elements of the plan had either been achieved or were in progress.

Equality Diversity Inclusion Report

Corporation noted progress against the lengthy Action Plan required to support the Colleges aspirations to achieve the Leaders in Diversity standard.

Skills Funding Agency Dash Boards

The Skills Funding Agency dashboard for quality provided a useful one page graph style analysis of performance.

Ofsted Inspection Frameworks

Ofsted had been inspecting colleges following a risk rating exercise so 'Outstanding' colleges had tended to be left at this point. Of the colleges

inspected there was a downward trend in performance. 42% of those having a full inspection were judged 'Requires Improvement' and 10 judged as 'Inadequate'.

Annual Cycle of Business

There were some amendment required to the document submitted. Some items listed for 8 November 2016 Quality & Standards Committee meeting would be considered earlier and by the full Board at the additional Corporation meeting being held in October 2016. The Annual Safeguarding Report would be presented to the September Corporation meeting. The cycle of business would be amended to reflect the changes.

Resolved:

That the Report from the Quality & Standards Committee be received.

41.16

Decision

Appointment of Chair and Vice Chair of Corporation for 2016 / 2017

Following due process, it was agreed that the current Chair and current Vice Chair serve for a further one year term in their respective positions.

Corporation Resolved:

- i. **That Stephen Rigby be appointed Chair of the Corporation for a one year term commencing 1 August 2016.**
- ii. **That Stuart Heys be appointed Vice Chair of the Corporation for a one year term commencing 1 August 2016.**

42.16

Decision

Appointment of Cultiva Governor Representative

Members had been made aware of the vacancy for a Myerscough Governor on the Cultiva Board following the retirement of Governor Jolyon Dodgson who had previously held the position. The Chair of Audit Committee, Gerry Corless had expressed interest. The next meeting would be at Sparsholt College in Hampshire. Following member agreement it was

Resolved:

That Gerry Corless be recommended to Cultiva as the Myerscough College representative

43.16

Decision

Independence of the Clerk

The Clerk to the Corporation must provide independent, unbiased and impartial advice to the Corporation at all times. Adherence to the policy

'Independence of the Clerk' had enabled him to demonstrate his independence. Corporation Members agreed the current policy *'Independence of the Clerk'* to be fit for purpose.

Resolved:

That the Independence of the Clerk Policy be approved as submitted.

44.16

Decision

Annual Cycle of Business

The Corporation gave consideration to its Cycle of Business for 2016 / 2017. Additional meetings had been added to facilitate Area Review Meetings.

The Governor Extranet would be populated with the dates for meetings and College events.

Resolved:

That the Corporation Business Cycle be approved.

Chairman: Steve Rigby

Signed:

Date: