

# BOARD OF GOVERNORS

THURSDAY 13 DECEMBER 2012



GATESHEAD COLLEGE

**Report:** Minutes of the meeting held on Thursday 18  
October 2012

**Author:** Clerk

**Action:** Approve

**Status:** Open

**Present:** Allan Steele (Chair)  
Rebecca Anderson  
Emily Cox  
Kevin Fitzpatrick  
Catherine Gardiner  
Sally Hancox  
Ivan Jepson  
Chris Macklin  
John McElroy  
David Mitchell  
Mark Taylor  
Richard Thorold

**In attendance:** Mick Brophy  
Judith Doyle  
Rowan Ferguson  
John Holt  
Gwyneth Jones

## 1691 Welcome/Apologies

Governors agreed to appoint Allan Steele to act as Chair of the meeting. Allan Steele welcomed everyone to the meeting in particular the new Governors, Emily Cox, Sally Hancox and Catherine Gardiner. Apologies for absence were received from Keith Cann Evans, Robin Mackie, Ian Renwick and Alex Rutherford.

The Chair explained that the meeting of Governance and Search Committee scheduled for the morning of Thursday 18 October had been unable to go ahead as it was not quorate. He advised that there were two urgent matters which needed to be discussed by that Committee before the Board Meeting could commence. Item 11(ii) was brought forward.

### **RESOLVED to approve the appointment of Emily Cox as a member of Governance and Search Committee**

The Chair adjourned the meeting.

*Emily Cox, Rowan Ferguson, Allan Steele, Richard Thorold left the room for a short meeting of Governance and Search Committee.*

Item 11(ii) was brought forward in order to allow Vivien Shipley to join the meeting.

**Agenda No: 2**

**RESOLVED**

- i) to approve the appointment of Vivien Shipley as a Governor**
- ii) to approve the appointment of Vivien Shipley as a member of Academic Standards Committee**

The Chair invited members to declare any interests on any item on the agenda. No interests were declared at this stage in the meeting; however, members noted that should the direction of debate on any item on the agenda result in a potential conflict of interest, this should be indicated during the meeting. Members were also reminded to advise the Clerk of any changes to be made to the declaration of interests.

**1692 Minutes of the meeting held on Thursday 5 July 2012**

*The Clerk distributed a confidential minute regarding the Senior Postholder Severance which had been discussed at the July Board meeting.*

The minutes of the meeting held on Thursday 5 July 2012 were accepted as a correct record.

**1693 Matters Arising**

There were no matters arising which were not substantive items on the agenda.

**1694 Modification to Instruments & Articles**

The Clerk provided a summary of the Strategic Discussion which had taken place on the afternoon of Thursday 18 October and distributed copies of a paper on the 'Modernisation of Governance' which she had produced. She explained that the discussion had covered:

(i) how corporate governance operates in the College and whether Gateshead College wanted to have a full committee structure; "Carver" model or somewhere in between.

It was noted that if the College moved to the Carver system of monthly Board meetings, the papers would need to be more focused and those to note would need a summary. The advantages of a "Carver" route would mean that all Governors would get the chance to get a full picture. Ofsted had expressed concern that too much time was being spent on Finance issues. It would be possible to have committees under a "Carver" model but these would be ad hoc Task and Finish groups. This model would sweep away all standing committees except for Audit.

The Director of Finance commented that financial decisions sometimes took longer than they needed to do in the current system and the Principal advised that more Board meetings would lead to a concise, precise and more focused approach on what agreements were needed. A member suggested that Governors would need longer than a week to look at papers for monthly Board meetings.

(ii) The College's Instrument and Articles of Government. The Clerk explained that some elements of the Instrument and Articles were required by law but others could be moved into a set of rules if the Board wished. It would also be possible to introduce some new procedural rules to assist the smooth running of business.

**RESOLVED that the Clerk and the Principal should prepare a paper on the Modification of Instrument and Articles of Government which should also cover**

**Agenda No: 2**

**a summary of the constitutional and governance options open to the College with a summary of the pros and cons of each model. This would be brought to the December Board meeting.**

**1695 Ofsted Action Plan**

*The report and the record of discussion on it are 'closed to public access' until such time as they are considered to be no longer commercially sensitive*

**1696 MADE Festival (Entrepreneurial College) Update**

The Principal presented an oral report about MADE The Entrepreneur Festival which had taken place in Sheffield on 19-21 September 2012. He informed members that 14 students and 2 staff from Gateshead College had attended the event; some of these students had given a presentation to those Board members who had been able to attend the Strategic Discussion session which had preceded the Board meeting. He indicated that it was the intention to get students to do a short presentation at the beginning of future Board meetings and advised that sports students working with Dame Kelly Holmes would be coming along to the December Board meeting.

**Action: Student presentation to be on agenda for December Board meeting**

**RESOLVED to note the contents of the report**

**1697 Academic Standards Report**

The Principal introduced a report on the Success Rates Data for Academic Year 2011/2012. The report had been presented to the Academic Standards Committee on 19 September 2012 and had been discussed and noted. The three tables contained in the report provided an updated picture since that meeting and showed the significant progress that had been made recently in securing students achievements and the move towards the forecasted success rate.

The success rate for 2011/2012 will be finalised by mid November in time for the presentation of the College's Self Assessment Report to the Skills Funding Agency. It was noted that a more accurate report would be brought to the December Board meeting.

The Principal indicated that the College was setting better targets rather than just 5% above benchmark. The Chair of Academic Standards Committee advised that members would be looking at those courses where performance had dipped and getting course leaders to come along to the meetings to explain why the situation had arisen.

**Action: Chair of Academic Standards Committee, Principal and Vivien Shipley to meet to discuss Success Rates Data.**

**RESOLVED to note the contents of the report**

**1698 Principal's Report**

The Principal presented a report which advised the Board on recent developments in the College and highlighted items of particular interest. Over the period of 6 – 11 July the Principal had travelled, with the permission of the Chairman and Vice Chairman, to Malaysia to meet with a private College that was interested in

## **Agenda No: 2**

developing an MOU regarding collaborative work. He advised that he been back to the area again and there was a big drive in the Far East especially in Malaysia for vocational education. It was noted that some of the senior management team had visited the area as well.

On 6 – 7 September the Principal travelled down to London to attend the Indonesian Ambassadors Celebration of Indonesian Independence and during that meeting the Principal had a number of conversations with key officials about potential involvement in developing a number of community colleges in Indonesia. The Principal advised that Gateshead College would be having an Indonesian Week in mid-November 2012. It was noted that an update on the International Strategy would be provided at the December Board meeting.

On 20 July, prior to the Olympics Gateshead College announced to the media its intention to work with Dame Kelly Holmes and then directly after the Olympics and Paralympics on 18 September the College had the major launch of its collaboration. This provided the College with major publicity and students, staff and parents were delighted to meet Dame Kelly and other Olympians such as boxer, Nicola Adams.

The Principal advised that he had continued to meet with the French Consul for the NE as well as members of the Campagnons Du Devior and Newcastle University to discuss collaboration around apprenticeships, languages and student exchange. The College is about to exchange with students in Hong Kong, the Principal had visited in April 2012 and the student exchange would commence in January 2013.

### **RESOLVED to note the contents of the report**

#### **1699 Management Accounts: July 2012**

The Director of Finance introduced the Management Accounts for July 2012. The overall summary of income and expenditure was as follows:

Income for the year to 31 July totalled £42,337,000 and was £1,382,000 ahead of previous year (4%). The growth includes the new Subsidiary Companies and when these are stripped out on like for like basis; revenue fell by 1.3% to £40,405,000. New Subsidiary Companies added £1,806,000 to group turnover in the year, most of which was Charge Your Car (North) Ltd. Expenditure for the year totalled £41,877,000 after charging £90,000 to the I & E to increase the provision for unfunded pensions to £700,000 and £270,000 for the deficit in the LGP Scheme, before these adjustments expenditure for the year was £41,517,000 giving a surplus of £820,000 instead of £460,000. The surplus for 2010/2011 was £2,424,000.

This is in line with earlier reports and, in income terms is the College's best year to date. The positive variance against budget is currently showing at £1,800,000.

In terms of the Balance Sheet, the Director of Finance indicated that it continued to remain strong.

The Director of Finance advised that the level of planned investments would be lower over the next 12 months. However, the College would still be able to make a £400,000 contribution to Gateshead College Foundation.

### **RESOLVED to note the contents of the report**

#### **1700 Property Strategy**

## **Agenda No: 2**

The Director of Finance introduced a report which updated the Board on the current projects and the acquisition of Barmston Court to create a Low Carbon Vehicle Development Centre.

- **Skills Academy – Sustainable Manufacturing & Innovation** - The overall cost of this project has been reduced by £40,000 as we have recovered funding from Nissan for extras they requested as part of the build process. The overall saving against the budget is now £445,000 with the final cost at £7,990,000.
- **Test Track** – The overall cost of the Test Track development now stands at £2,402,940 against an original budget of £2,500,000, with the balance being available to support the operation of the facility for its first year.
- **Construction Centre Phase 2** - The College is currently finalising the account with UK Land and believe the worst case scenario to be an underspend of £78,000 and the best case to be an underspend of £93,000.
- **Barmston Court** - At the Finance & General Purposes Committee on 27 September 2012 the Committee approved the College acquiring Barmston Court for the price of £600,000 plus associated taxes/fees as part of the investment in Low Carbon Technologies. It was noted that the approval was within the Committees delegated power to approve capital expenditure up to £1m and so did not need to be brought back to the Board.

**RESOLVED to note the contents of the report**

### **1701 Report of the Clerk**

The Clerk advised that most of the business contained in item 11 on the agenda would need to be brought to the next Governance and Search Committee meeting. She advised that the Governance and Search Committee would be reconvened in due course and the Amendment to Remuneration Committee Terms of Reference previously circulated as a separate business item would be brought back to the December Board meeting together with any other business referred from Governance and Search Committee.

**Action: Clerk to convene meeting of Governance and Search Committee**

**RESOLVED to note the position**

### **1702 Minutes of Committees**

The Board received the minutes of the following Committees:  
Academic Standards Committee held on 20 June 2012  
Finance and General Purposes Committee held on 21 June 2012

**RESOLVED to note the contents of the report**

### **1703 Any Other Business**

A member requested an update on the latest situation regarding staff relations in the College and the Principal replied that 143 members of staff had signed new contracts

**Agenda No: 2**

whilst a number were still pending. It was noted that 11 November 2012 would be the cut off point for signing contracts and if staff do not they will be 'statutorily redundant'. The Principal advised that a number of casual staff had been converted to full-time posts. HR are working closely with staff concerned, arranging appointments with people so they can find out why they have not been successful. and encouraging some staff to resubmit application forms. A member enquired whether the College had made provision for redundancy costs and the Director of Finance replied that it had.

**1704 Date of Next Meeting**

The next Board meeting would be on Thursday 13 December 2012 commencing at 5.30pm followed by Christmas Dinner in Enfields