

# BOARD OF GOVERNORS

THURSDAY 19 MARCH 2015

**Report:** Minutes of the meeting held on Thursday 11  
December 2014

**Author:** Clerk

**Action:** Approve

**Status:** Open



GATESHEAD COLLEGE

**Present:** Ivan Jepson (Chair)  
Rachel Clark  
Catherine Dennis  
Judith Doyle  
Sally Hancox  
Darren Heathcote  
Chris Macklin  
John McElroy  
David Mitchell  
Mark Taylor

**In attendance:** John Gray  
John Holt  
Nadine Hudspeth  
Mark Thompson  
Chris Toon  
Suzanne Clark  
Emma Moody (Clerk)

## 1886 Chair's Welcome / Apologies and Conflicts of Interest

Ivan Jepson took the chair in the absence of Robin Mackie.

The Chair welcomed everyone to the meeting.

Apologies were received from Emily Cox, Kevin Fitzpatrick, Nick Hurn, Robin Mackie and Ian Renwick.

No interests were declared at this stage, but the Chair advised that members should declare any conflict of interest as and when they arose throughout the meeting.

## 1887 Minutes of the meeting held on Thursday 14 October 2014

The minutes of the meeting held on Thursday 14 October 2014 were accepted as a true record.

## 1888 Matters Arising

The Principal reported that a meeting has been scheduled with the family of Keith Cann-Evans to propose an annual prize in memory of Keith. The prize will be linked to Business and Enterprise and suggestions from members should be forwarded to the Principal.

## **Agenda No: 2**

The Principal reported that positive feedback had been received following the Support and Challenge visit on 25 November. A copy of the letter will be circulated to members. The feedback acknowledges improvements made relating to outcomes for learners and the Principal is confident that we are on the right track.

The Principal confirmed that following recent issues linked to extremism, advice has been sought from Northumbria Police. Training has taken place with the Emergency Continuity Team, and their deputies, to ensure that staff are clear on their responsibilities should an incident occur at Gateshead College. The wider management team have also received "Prevent" training delivered by Northumbria Police as part of the Counter Terrorism Strategy. The positive approach taken was noted.

### **1889 Principal's Report**

The report was presented by the Principal.

The Principal confirmed that there will be a further emphasis on Apprenticeships.

*John McElroy joined the meeting at 4.50pm.*

Development of Maths & English continues to be a key priority in all funded learning. The College needs to ensure that efficient tracking systems are in place to monitor the starting points of students. A member asked if there were examples available from other Colleges of how they have done this. The Principal advised that other Colleges are experiencing similar challenges. The objective is to ensure that students achieve qualifications. The qualification framework is to be reviewed to ensure that it is suitable. Alternative delivery methods are in place where appropriate and the Initial Student Survey shows that over 90% of students are enjoying their experience in Maths & English.

The AOC Conference focused on funding changes. The Principal reported that it is likely that the adult budget will be further reduced in March 2015 and the College needs to safeguard its position.

The Principal advised that the student activities and events reported on show the great experience, opportunities and variety of activities available to students. There is evidence of working with stakeholders. Achievement of sports students was particularly notable. The examples stated support our objective to give students the employment edge.

The Chair asked what the College were doing to protect income streams. The Principal responded that the College was looking to ensure that all work with employers was of the highest quality. The Principal will also be hosting a stakeholder dinner in the near future. We need to take all opportunities to maximise our funding streams and build our reputation, ensuring that our key networks have confidence in our ability to delivery. We are all ambassadors for Gateshead College. The Chair added that we must not lose sight of the diligence of the Finance Team in achieving funding targets. We all need to rise to the challenge and support the Executive Team where possible.

It was noted that many colleges would be forced into considering mergers and partnerships as funding reduces. It was important for the College to be in charge of its own destiny in that respect.

## **Agenda No: 2**

*The report was noted.*

### **1890 Overview of Committee KPIs**

The Principal presented the report.

There is a well embedded set of KPIs in place for the Corporate Services Committee.

The Teaching & Learning Committee KPIs will include long success rates, English & Maths, functional skills and successful outcomes. These will be compared against national rates and need to show that we are exceeding them.

KPIs need to be developed for the People Committee.

The Business Committee KPIs are to be further developed and refined.

A member advised that it was enlightening to have the College's auditors present at the recent joint Audit and Corporate Services Committee meeting and it might be useful to have a presence on occasion at future Corporate Services Committee meetings. This would help to ensure that auditors understand the College's position.

*It was agreed that this suggestion would be taken forward.*

The Principal advised that a consistent template will be developed for all committees. A member commented that the example provided for the Corporate Services Committee should be what we aspire to. She would like to see similar detail available for other committees to demonstrate prudent robust management. Once KPIs are finalised they should be allowed time to bed in without constant change / additions.

*It was agreed that consistent template KPIs would be presented to the next meeting for approval.*

### **1891 Finance Matters**

#### **a) Internal Audit Annual Report**

The report was presented by the Director of Finance.

The Director of Finance advised that the report has previously been presented to the Joint Corporate Services and Audit Committee which should give the Board confidence to sign it off.

Highlights from the report are that Gateshead College has "adequate" risk management. Results of individual assignments show that all 5 audit reviews have been graded as low risk – this is the first time the college has received this rating.

A member asked whether auditors were completely satisfied with the level of information provided. The Chair of the Audit Committee reported that whilst the report uses the term adequate, this is as good as it gets in audit terms. The Chair of the Audit Committee has questioned the auditor in relation to the 9 low risk findings and was advised that this is seen to be low and rare in Colleges. It is felt that this is down to the hard work and diligence of the Finance Team and should give confidence to the standard of governance.

## **Agenda No: 2**

*The report was noted.*

### b) College External Audit Findings Report for the year to 31 July 2014

The report was presented by the Director of Finance.

The Director of Finance reported that key areas of focus were resolved satisfactorily. There was no indication of risk in relation to going concern and financial health. No further audit or accounting issues were identified. All items identified at the time of audit have now been resolved.

The Chair of the Audit Committee advised that a lot of time was spent looking at management override of controls and auditors were now clear that there are no issues in this area. No fundamental issues have been reports and, more importantly, language is descriptive. This is about governors having asked the right questions and probing as necessary. The auditors should be confident that this is in place. The auditors were highly complementary about the work of the Finance Team.

The Chair commended the Director of Finance on receipt of exemplary reports.

*The report was noted.*

*The findings and the letters of representation were approved and the Board provided authority for signature.*

### c) Annual Report of the Audit Committee 2013/2014

The Director of Finance presented the report.

The Director of Finance advised that the report has previously been considered at the recent Audit Committee meeting.

The report confirmed that satisfactory arrangements are in place. Financial health is confirmed as good and there is no risk to the going concern assumption.

The Chair of the Audit Committee advised that this is gold standard and he has no hesitation in recommending approval of the report.

A member asked about the issue relating to credit checks and also asked about CSR and the Gateshead College Foundation. Confirmed that CSR needs to be across the business, links should be clear and championed. Counter-fraud should be rolled into the plan to ensure that people are up to speed with counter-fraud techniques.

*The Board agreed to approve the report and provide authority for signature.*

### d) Report and Financial Statements for the year ended 31 July 2014

The Director of Finance presented the report.

The Director of Finance advised that the report has previously been presented to the Joint Corporate Services and Audit Committee. It was highlighted that the report shows a turnover of £46.3m which reflects the current environment and funding challenges. This is an improvement on the previous year.

## **Agenda No: 2**

The Principal advised that the SFA have confidence in the College's ability to meet targets. Going forward more will be asked of the College but funding bodies are confident in our ability to deliver quality outcomes to learners. The Chair added that it is important to recognise the challenge presented to The Board. We must ensure that quality remains high through the new quadrant structure. The Chair recognised the team approach in achieving targets and achieving a surplus.

The Board agreed to approve the report *and provided authority for signature*.

### **1892 Self-Assessment Report 2013/2014 - CONFIDENTIAL**

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

### **1893 Future of Governance and Search (including Governor Self-Assessment)**

The Clerk presented the report.

The Clerk advised that the group will not be a formal committee meeting.

The Clerk advised that all members should be aware that on-going dialogue is needed. We need innovative ways of training new governors so that they have an awareness of the College and the sector.

The self-assessment action plan formed as part of the strategic away day was shared and work is on-going to finalise.

The Chair added that the Chair of the Governance and Search group is seen as a liaison role with the Chairs of other committees.

The Chair of Audit Committee added that good governance is fundamental to the audit committee but it is important not to blur the lines.

The Principal acknowledged that governance arrangements significantly changed recently. We need reassurance that the new arrangements are appropriate.

The report was approved, the Governance Sub-Group established and the terms of reference for the Group adopted.

### **1894 Governor Appointments and Reappointments**

A verbal update was given by the Clerk.

All members approved the re-election of Ivan Jepson to the position of Vice Chair.

The Clerk advised that there is a need to look at wider roles and to involve governors in a different way.

The staff governor roles will soon be coming up for re-election. The Clerk will advise of this in the near future and will liaise with Suzanne Clark to make arrangements for the election.

**1895 Update on Federation - CONFIDENTIAL**

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

**1896 Any Other Business**

The Principal thanked all members of The Board for their contribution and challenge and wished everyone a very merry Christmas and a prosperous new year.

**1897 Date of next meeting**

Thursday 19 March 2015 at 4.30pm [The start time was later changed to 4.00pm]

Members were advised that a strategic planning day would be arranged. This will be a single day, potentially a Thursday or Friday in March. Dates will be proposed and members were asked to respond advising if any of the dates proposed would be problematic.

**1898 Chair's Review of Business**

The Chair acknowledged the huge challenges ahead and recognised the positive messages coming through the meetings. Added that we need to instil in our people that we have confidence in what we do. The Chair wished all members well for the festive period.