

**CITY COLLEGE PLYMOUTH CORPORATION MEETING HELD ON WEDNESDAY
14th DECEMBER 2016 AT 4PM IN ROOM K021**

**Minutes of the Meeting of the Corporation held at 4pm on Tuesday 14th
December 2016.**

THOSE PRESENT: Mr William Woyka – WW – Vice Chair
Mr Phil Davies – PD – Principal
Prof Pauline Odulinski – PO
Prof Paul Brunt – PB
Mr Andrew Ashley - AA
Mr Mike Jones – MJ
Ms Cheryl Powell – CP
Ms Emma Tringham – ET
Mr Martyn Starnes - MS
Mr James Venning – JV
Ms Sue McDonald – SD

IN ATTENDANCE: Ms Nicola Cove – Deputy Principal - NC
Mrs Sam Abbott – Vice Principal – Resources – SA
Mr Ben Manning – Vice Principal Curriculum & Quality –
BM
Mrs Julia Tindall-Jones – Clerk

G16/096 Apologies

Apologies had been received from Nick Holman, Iain Perring and Matt Callaghan, the new SU President.

G16/097 Minutes

RESOLVED that the minutes of the Meeting of the Corporation held on the 17th October 2016, which had been previously circulated, be approved and signed as a correct record.

G16/098 Matters Arising

The Clerk summarised the Corporation Action Grid and reported that there were no actions outstanding.

There were no other matters arising which were not addressed elsewhere on the agenda.

G16/099 Confidential Items

RESOLVED that, in accordance with Minute G03/09, agenda item 8.3a requires to be dealt with as In Commercial Confidence and that Agenda Items 11.1 and 11.2 require to be dealt with as Part II and that the relevant papers and Minutes be withheld from the published records for the prescribed period (unless a longer period is prescribed

for certain items).

No declarations of interest were made with reference to the items on the agenda for this meeting.

G16/100 Item 2.1 – Report of Chair’s Action – HEFCE Assurance Report

The Principal, on behalf of the Chair, reported that HEFCE Assurance Report had been submitted to the Performance and Standards Committee and they had agreed that, in order to meet the 1st December deadline, the Chair should sign immediately following the meeting and that the Chair would report to the Board that it had been done. This report is a new requirement from HEFCE and its purpose is to provide assurance to HEFCE that governing bodies have been fully appraised of the steps taken by the College to ensure continuous improvement of the student academic experience and student outcomes and the maintenance of qualification standards.

The Principal continued that the submission date has been problematic to many in both the FE and HE sectors and may be revised by HEFCE in the future.

The Board ENDORSED the Chair’s Action in respect of the Annual HEFCE Assurance Report.

G16/101 Item 2.2 – Report of Chair’s Action – Sale of Estover Technology Centre

The Principal reported that the sale of the Estover site had been completed with a sale price of £400k which was sufficiently close to the valuation in the Financial Statements for them not to require adjustment.

The Board ENDORSED the Chair’s Action in respect of the sale of Estover Technology Centre.

G16/102 Item 3.1 - Governor Feedback from Learning Walks And Development Opportunities – Standing Item

ET informed the Board that she had attended the WBL graduation ceremony and was impressed by the enthusiasm of the students and the passion of the staff.

SM reported that she had attended the AoC New Governor Induction and found it a useful networking opportunity and very informative.

G16/103 Item 3.2 – Clerk’s 6-Monthly Report on Governor Links

The Clerk presented a report on Governor Links and the impact they had had on driving the College forward towards outstanding. The

report had been compiled with the help of the College's Quality Team so that the contribution of governors could be viewed alongside all the different work and initiatives in place to further enhance standards in teaching, learning and assessment.

Governors discussed the report and agreed that the value they placed on their links was significant and that all felt their experience and knowledge of the College was increasing and making them more comfortable in their ambassadorial role.

The Board NOTED the Clerk's 6-Monthly Report on Governor Links.

CURRICULUM, STUDENT AND QUALITY FOCUS

G16/104 Item 4.1 – Report from Performance & Standards Committee

PO, the Chair of P&S Committee, reported that the committee had closely scrutinised the HEFCE Assurance Report, the College SAR and the resultant QIP in its recent meeting and had been impressed at the standard of the documents and the very positive impression they gave of the current College position.

The Board NOTED the Chair's report from Performance & Standards Committee.

G16/105 Item 4.2 – College Self-Assessment Report 2015/16 and resultant Quality Improvement Plan for 2016/17.

BM introduced the College SAR for 2015/16 and highlighted the following key points:

- All Subject Specific Areas (SSAs) had been assessed as Good or Outstanding
- Apprenticeships were Outstanding
- Overall Judgements – Classroom based provision by SSA 100% Good or Better; WBL 81% Good or Better
- High level of ESOL attainment
- Six Areas for Improvement (AFIs)
 - Maths and English attendance, where the variance with main qualification remains too high
 - The consistent use of work experience logs
 - 19+ achievement levels which remain slightly below national average.
 - Three programme areas are not performing as expected (Hospitality 7.4, BTEC Engineering and GCSE Science)
 - Teaching, Learning and Assessment to reach Outstanding with more innovative and creative delivery developed in some areas

- Tutors need to hold individual meetings for learners at risk of underachieving early enough to set high expectations for the year.

The Board APPROVED the College's Self-Assessment Report for 2015/16 and APPROVED the accompanying Quality Improvement Plan for 2016/17.

KPIs

G16/106 Item 5.1 – KPIs for November

NC introduced the KPIs for November and said that 16-18 learner numbers were still down and that although actions were in place it was unlikely that the target would be reached. With Adult Skills, Part Time numbers were down and the target may not be met and there was, therefore, a possibility of some clawback in year and the risk therefore continues to be high.

Retention is at 99% and the swap not drop initiative continues to work well. CP commented that the new short courses created supported improved progression in some areas and that this was viewed positively by students.

Attendance is currently 1% above the same time last year and attendance at English and maths continues to be closely scrutinised.

The Board discussed the College's new approach to timetabling English and maths where curriculum areas had set days and set times for their students to study in order to target attendance more readily.

The Board NOTED the KPIs for November.

PRINCIPAL'S REPORT

G16/107 Item 6.1 – Principal's Report

The Principal introduced his report saying that 2015/16 had been a very positive year for the College and that there had been significant achievements over the last 6 months. Governors commented that the report was very detailed and made for good reading and asked whether it was promulgated in any way. The Principal confirmed that it was circulated widely to staff. PO suggested that it might be appropriate for the Board to thank the staff and students for their significant contribution to the College's success over the last year. This was agreed and the Principal undertook to pass on the Board's congratulations.

- **Principal to pass on the Board's formal thanks to staff and students**

The Board NOTED the Principal's Report

STRATEGIC

G16/108 Item 7.1 - Property Update

SA updated the Board on the progress of the Regional STEM Centre asking Governors to note that the schedule is on track to complete within both time and budget. SA informed the Board that the site will be 'watertight' by Christmas and that the external cladding will be completed in the New Year. SA continued that some design changes had been made which had put some stress on the timetable but Kier was confident that the end date would be achieved. PO asked whether the changes would be cost neutral and SA responded that they were funded out of the contingency budget but she was confident that the overall budget would not be exceeded.

SA continued that all planning conditions have now been discharged or are awaiting approval and proceeded to outline the high risks associated with the project in particular the advent of bad weather. It is hoped that the majority of the external work to make the building watertight will be completed shortly which should mitigate this risk.

SA finished her report by saying that the crane is scheduled to leave the site on 20th December and that there will be a topping out ceremony in January.

The Board NOTED the Property Update.

G16/109 Item 7.2 – Area Based Review Update

The Principal reported that he had conducted a series of internal briefings to all staff which focussed on the Area Based Review and the Devon Colleges Group to keep staff informed. The Principal proceeded to outline the process to date and the current position moving forward. The College had to provide significant documentation before the process commenced and this informed a site visit by the ABR Team on 16th November a week after the first steering group which had been attended by the Principal and Chair. The second steering group meeting was held on 7th December and was attended by the Principal and Vice Chair. At this meeting it was decided to streamline the process by removing the requirement for the third steering group in January. This date will now be used for a workshop for the Cornwall colleges.

As a result of the second steering group meeting the College is now required to articulate its preferred option which will be as a stand-alone

entity including justification and a financial viability extrapolation to 2020. The ABR team has provided a template for this work and it includes the requirement for greater specificity of potential outcomes for the Devon Colleges Group. The Principal informed the Board that he would be meeting with the principals of the other Devon Colleges to consider whether to make a joint application to the Transition Fund. Governors discussed the merits of such an application considering the sums of money involved. The Principal commented that he expected that the meeting with the other colleges may result in a list of possible outcomes that would be achievable.

The Principal concluded his report by saying that the next steering group meeting is on 1st March when the ABR Team's recommendations would be circulated for discussion by the separate boards. The Principal added that there was an opportunity for governors to attend a briefing after the meeting should they wish to do so although the venue has not yet been agreed (subsequently confirmed as 18.00 on 1 March at Exeter College). As the final meeting of the steering group is to be held on Wednesday 22nd March the Principal then proposed that the Corporation meeting scheduled for Thursday 23rd March be moved to Monday 20th March in order to facilitate the formal discussion of the ABR recommendations. Governors discussed this proposal and agreed that, as it seems likely that the recommendations will be uncontentious, moving the meeting to the 20th would be appropriate.

- **Clerk to move March Corporation Date to Monday 20th March 2017.**

The Board NOTED the Area Based Review Update.

FINANCE & RESOURCES

G16/110 Item 8.1 – Report from Finance Committee

ET, as Chair of Finance gave a brief report of the business conducted by the Finance Committee and recommended the Financial Statements to the Board for approval.

ET then referred to the annual SFA letter which agreed with the College's self-assessment of Satisfactory financial health for 2015/16 and its forecast of Satisfactory for 2016/17. NC informed the Board that the action required by the letter, namely the risk management associated with the future sale of Goschen, had been completed. NC added that a final confirmatory letter from SFA regarding the College's financial health for 2015/16 would be received in March 2017 following the submission and analysis by SFA, of the Financial Statements.

The Board NOTED the Chair's Report from Finance Committee and the receipt of the SFA letter.

G16/111 Item 8.2 – Financial Statements for Year Ending 31st July 2016

NC introduced the Financial Statements for Year Ending 31st July 2016 asking Governors to note that they had been closely scrutinised by the Finance Committee and had also been seen by the Audit Committee. NC drew the Board's attention to a change that had been made to the narrative to reflect the sale of the Estover site which had been included as a post balance sheet event. An adjustment to the actual accounts was not required as the difference between the sale value and the book value was not assessed as material by the College or auditors.

NC outlined the summary financial position under FRS102 and highlighted the fact that the College had performed slightly better than forecast and therefore the autoscored financial health had moved the College further into the Satisfactory grading.

The Board APPROVED the Financial Statements for Year Ending 31st July 2016.

G16/112 Item 8.3 – Revised Engineering Covenants

NC informed the Board that, as a result of the move to FRS102 the two financial covenants pertaining to the engineering loan facility required restating, adding that through extensive negotiation, it had been agreed that the covenants should be restated on the basis of neutrality:

BACKGROUND

The Deputy Principal reported that it is proposed that the College enter into an amendment letter (the "Amendment Letter ") with Barclays Bank PLC (the "Bank") in respect of a £3,000,000 facility originally dated 14 February 2013, as amended by a variation letter dated 2 April 2013 (the "Facility Letter").

PURPOSE OF MEETING

The Deputy Principal advised that the Board must consider the Amendment Letter and in particular it was noted that, pursuant to the terms of the Amendment Letter, the financial covenants in the Facility Letter were to be amended.

The Deputy Principal reminded the Board of their duty to promote the success of the College (both in relation to the Amendment Letter and generally).

CONSIDERATION OF THE AMENDMENT LETTER

The Board considered in detail the form of the Amendment Letter and the risks to the College in entering into the Amendment Letter, namely that the College would have to meet the new financial covenants set out in the Amendment Letter, as failure to do so would constitute an Event of Default under the Facility Letter. Whilst these consequences

were serious, the Board considered that the College would be able to meet its obligations when due.

The Board considered whether it was in the best interests of the College to enter into the Amendment Letter and to execute and deliver the Amendment Letter.

After due and careful consideration, bearing in mind the Board's duty to promote the success of the College, IT WAS THE UNANIMOUS DECISION that (a) the College should enter into the Amendment Letter and perform its obligations and exercise its rights in relation to the Amendment Letter and the amended Facility Letter and (b) to do so would be of benefit to the College.

**AUTHORITY TO EXECUTE THE AMENDMENT LETTER
IT WAS UNANIMOUSLY RESOLVED that:-**

- **the College, in good faith and for the purpose of carrying on its business, enter into the Amendment Letter and perform its obligations and exercise its rights in relation to the Amendment Letter and the Facility Letter;**
- **the following officers of the College (each an "Authorised Signatory" and together the "Authorised Signatories") be authorised to sign on behalf of the College the Amendment Letter and return the signed counterpart to the Bank:-**

PHILIP DAVIES and NICOLA COVE

- **the terms of the Amendment Letter be and are hereby approved (subject, in each case, to such amendments as the Authorised Signatories (acting together or alone) may approve and so that the signature of the Authorised Signatory shall be conclusive evidence of the agreement to such amendments or modifications); and**
- **the Authorised Signatories (acting together or alone) be authorised to agree and sign on behalf of the College all such other documents, agreements, certificates, notices, communications or confirmations, and to do all such other things, as may be required, or as any Authorised Signatory may approve, in connection with the Amendment Letter.**

G16/113 Item 8.3a - Cyclical Renewal of College Overdraft Facility with Barclays Bank – In Commercial Confidence

G16/114 Item 8.4 – Corporate Performance Report for October 2016

NC introduced the Corporate Performance Report for October 2016 asking Governors to note that the summary outturn position was slightly ahead of budget but was likely to revert to budget in November as learner numbers for both 16-18 and adult skills were below target

and an allowance for a possible in-year clawback by the SFA had been included.

NC then highlighted the issues the College was having with Higher Needs Students (HNS) funding in that some local authorities were reluctant to put an Education, Health and Care Plan (EHCP) in place for each learner. The EHCP is now required for the College to obtain full funding and therefore c£50k is at risk. NC confirmed that learners were still being supported regardless of funding. NC added that there was a particular issue with Devon County Council that was being addressed collectively through the Devon College Group.

WW asked how the recent inspection of PCC's SEND provision had gone. The Principal commented that the report had been balanced and fair although transition was still seen as an issue.

The Board NOTED the Corporate Performance Report for October 2016.

G16/115 Item 8.5 – Cashflow/Capital Update

NC introduced the Cashflow/capital update and informed Governors that, as at 30th November, the College had 21 cash days in hand. NC reminded Governors that the cash balance would reduce significantly between January and March because of the cyclical funding pattern. An overdraft facility is in place with Barclays but it is likely that cash balances will remain positive over this period.

Referring to the Capital Programme, NC informed the Board that no variance in spend would be required.

The Board NOTED the Cashflow/Capital Update.

G16/116 Item 8.6 – Renewal of Vodafone Leases

SA informed the Board that the Vodafone and EE leases were in the process of being renewed and that both companies required formal authorisation by the Trustees for the Deputy Principal to sign the leases on their behalf.

The Vice Chair, on behalf of the Board AGREED to AUTHORISE Nicola Cove, as Deputy Principal, to sign the leases with Vodafone for the Kings Road site and Goschen Centre on behalf of the Trustees.

Further the Vice Chair, on behalf of the Board AGREED to AUTHORISE Nicola Cove, as Deputy Principal, to sign the leases with EE, once the formal agreement has been approved by the College Legal Officer, on behalf of the Trustees.

AUDIT

G16/117 Item 9.1 – Report from Audit Committee

WW, as Chair of Audit, briefed the Board on the work of the Audit Committee at its last meeting and assured the Board that Items 9.2-9.6 had been scrutinised by the Committee and that approval by the Board was recommended in all cases.

The Board NOTED the Chair’s Report from Audit Committee.

G16/118 Item 9.2 - External Audit College Group Audit Completion Report

NC introduced Francis Clark’s Audit Completion Report and informed the Board that it had been brought to both the Audit and Finance Committees for scrutiny. NC stated that there were no mis-statements of a material nature and that unqualified opinions for both audit and regularity work had been given.

The Board APPROVED the External Audit College Group Audit Completion Report.

G16/119 Item 9.3 – Risk Management Framework Update

NC then introduced the review of the Risk Management Framework informing Governors that a few amendments and additions had been made to the risk register to reflect changes in the College’s risk profile. NC highlighted the inclusion of a specific risk regarding the introduction of the Apprenticeship Levy.

The Board APPROVED the Risk Management Framework Update.

G16/120 Item 9.4 – Risk Management Annual Report

NC then asked the Board to approve the Risk Management Annual Report in line with the Audit Committee’s recommendation.

The Board APPROVED the Risk Management Annual Report

G16/121 Item 9.5 – Internal Audit Annual Report

NC then introduced the Internal Audit Annual Report and asked the Board to approve it in line with the Audit Committee’s recommendation.

The Board APPROVED the Internal Audit Annual Report

G16/122 Item 9.6 – Audit Committee Annual Audit Report

NC then presented the annual summary report of the Audit Committee activities and asked for approval for the Chair of Audit to sign it as part of the submission to the SFA at year end.

The Board APPROVED the Audit Committee Annual Audit Report.

GOVERNORS' BUSINESS

G16/123 Item 10.1 – Code of Good Governance – Annual Compliance Report

The Clerk introduced the Code of Good Governance Annual Compliance Report asking Governors to note that the College complied with all the 'musts' in the code and the vast majority of the 'shoulds' and indicated what action was being taken to address the small number of areas where the College was not fully compliant.

The Board NOTED the Code of Good Governance Annual Compliance Report.

G16/124 Item 10.2 – Governance Self-Assessment and Governance Action Plan

The Clerk outlined the governance self-assessment process that had been carried out over the Autumn term and identified a small number of actions that have been included in a governance action plan. Governors discussed the results of the various surveys that had been carried out and agreed that they should assess their effectiveness as Good. Governors then discussed what action should be taken to move their assessment to outstanding and agreed that the action plan provided a good basis on which to work.

The Board AGREED to Self- Assess its performance as GOOD and APPROVED the governance insertion into the College Self-Assessment Report.

The Board further APPROVED the Governance Action Plan for 2016/17

The Vice Chair then informed the Board that this was Prof Paul Brunt's last meeting as a governor and, on behalf of all present, thanked him for his positive contribution over the last four years and wished him well for the future.

The Meeting then moved to Part II and the Chair asked the Staff and Student Governors to withdraw. At the request of the Principal, NC, SA and BM remained. The following minutes are not for general circulation.

G16/125 Item 11.1 – Part II Item

NC, SA and BM then left the meeting.

G16/126 Item 11.2 – Part II Item

G16/127 Item 12 – Date of Next Meeting

The next full Meeting of the Corporation will take place on Monday 6th
February 2017 at 4.30pm in Room K021.

There being no other business, the meeting closed at 5.55pm.

SIGNED _____ DATE _____