

**Activate Learning**  
**Further Education Corporation**

**MINUTES** of a meeting of the Corporation held on 14 July 2015, 5.30 pm in Room DG01, City of Oxford College

**Present:** G Blackburn (Chairman)  
S Dicketts; T James; E Paris; J Von Klonowski; B Grenville-Jones; M Jennings; M Brankin; P Odulinski

**In attendance:** S McCormick, Group Deputy CEO  
R Turner, Principal, Banbury and Bicester College  
T Watts, interim Principal, City of Oxford College  
P Newman, interim Principal, Reading College  
L Nicholls, Executive Director Curriculum Standards and Academies  
P Lloyd, CEO Activate Enterprise  
K White, Clerk to The Corporation  
H Walker, Group Compliance Administrator (Observer)

**Summary of actions and resolutions**

Action	Item Ref.	Deadline/ update	Assigned To	Completed
1. That the risk management group's arrangements will be aligned to the new governance structure for 2015	4	November 2015 (Audit Committee)	Risk Management Group	
2. To appoint Paddy Austin to the Corporation with effect from 14th July 2015 To re appoint Chris Jones for a second term To re appoint Maire Brankin for a second term To note that Professor Sa'ad Medhat resigned from his role as governor on 6 May 2015 To note that Elizabeth Paris' second term is due to end on 19 July 2015	5	Approved		Completed
3. That the number of Corporation meetings is reduced to 3 meetings per year and we will introduce two half day workshops in addition to the Away Day	6	August 2015	Clerk	Completed – meetings set
4. That the Audit and Risk Committee, the Finance, Estates and Resources Committee, Search, Appeals and Remuneration will continue, as they are currently constituted	6	Agreed		Completed
5. That the Corporation will discontinue the following: a) People and Change Committee b) The Curriculum, Quality and	6	Agreed		Completed

	Standards Committee c)Strategic Learning Environment Committee				
6.	That the FE&GP Committee and Audit and Risk Committee should meet jointly once per year.	6	August 2015	Clerk	
7.	That the representation of staff and students on the Corporation will stay as it is but we will seek greater student and staff representation at faculty level.	6	Agreed		Completed
8.	That there will be a review of the new governance arrangements to assess how well the items previously managed through Committees are being considered.	6	March 2016	Chair/Clerk	
9.	[REDACTED]	7	Agreed		Completed
10.	To approve the recommendation that staff should receive a 1% pay award, subject to student numbers being met. If student numbers are not met, the payment of the award will be delayed until they have been met.	8	Agreed		Completed
11.	Loan covenant - That the Chair/Vice-Chair and the CEO were authorised to sign any documents related to this amendment on behalf of the Corporation	9	Agreed		Completed
12.	To approve the group budget	10	Agreed		Completed
13.	To approve the internal audit strategy 2015-16	11	Agreed		Completed
14.	To approve the external audit strategy and planning memorandum	12	Agreed		Completed
15.	To work with Committee officers and the risk management group to improve the report to highlight the change in risks and the most significant risks. To remind Committees that it is the impact analysis that they should be focusing their attention on when reviewing the risk register.	14	October 2015	Risk management group	
16.	That the Corporation Chair will be given delegated authority to approve the Health and Safety Policy	15	September 2015	Chair	

## MINUTES

**1. Apologies for absence**

Governors: J Dipple; C Jones; E James; N Robinson; N Waller

**2. Declaration of interests, gifts and hospitality**

S Dicketts declared that she was taken out to lunch by an ex colleague.

**RESOLVED**

That the declaration will be added to the Corporation's gifts and hospitality register

**3. Minutes, 24 March 2015**

The minutes of the Corporation meeting held on 24 March 2015 were approved as a correct record and signed by the Chairman.

**4. Matters arising from the minutes**

The matters arising from the minutes of the previous meeting were reviewed by the Corporation.

It was noted that actions 4 and 5 have now been superseded by the new governance arrangements, proposed under item 6.

**RESOLVED**

That the risk management group's arrangements will be aligned to the new governance structure for 2015

## STRATEGIC

**5. Appointment to the Corporation**

The Chair outlined the updates to appointments to the Corporation

**RESOLVED**

- To appoint Paddy Austin to the Corporation with effect from 14<sup>th</sup> July 2015
- To re appoint Chris Jones for a second term
- To re appoint Maire Brankin for a second term
- To note that Professor Sa'ad Medhat resigned from his role as governor on 6 May 2015
- To note that Elizabeth Paris' second term is due to end on 19 July 2015

**6. Strategic Direction**

The CEO outlined the proposed governance arrangements for the Corporation, which came about as a result of the discussion and agreement at the Away Day on 12 May 2015 and with the Transformation Working Group on 12 June 2015. The objective of this review of the

governance arrangements is to look at how we can work together more systematically.

There was a general consensus that commerciality should be embedded into the governance model. Governors who were involved in the development of this proposal through the Transformation Group endorsed this model as being an agile and leading to less repetition than the current arrangements.

Governors were pleased that the governance arrangements are being clearly thought through. It was noted that there are some formal committees that relate to the workings of the organisation and it was questioned how we can ensure that these issues will be brought forward to Corporation. It was recommended that a review of the arrangements is completed 6 months after being in operation.

There was a broad discussion about staff and student councils and the importance of there being feedback loops to communicate issues that may need to be raised. Governors wanted to ensure that students had a voice. A suggestion was made that there should be governor involvement with these councils. This principle of this was agreed, but with emphasis on being able to balance the time commitment for governors it was suggested that direct representation on each committee would not be appropriate at this stage.

It was highlighted that in addition to the Committees outlined in the report that the Remuneration Committee will continue as it is currently constituted.

### **RESOLVED**

That the number of Corporation meetings is reduced to 3 meetings per year and we will introduce two half day workshops in addition to the Away Day

That the Audit and Risk Committee, the Finance, Estates and Resources Committee, Search, Appeals and Remuneration will continue, as they are currently constituted

That the Corporation will discontinue the following:

- a) People and Change Committee at one of our Corporation meetings each year there would be items related to our culture and staff matters.
- b) The Curriculum, Quality and Standards Committee key matters such as our teaching learning and assessment strategy, achievement data and SAR will be on the Corporation Agenda.
- c) Strategic Learning Environment Committee and key items will be taken through Corporation and task and finish groups as required.

That the FE&GP Committee and Audit and Risk Committee should meet jointly once per year.

That the representation of staff and students on the Corporation will stay as it is but we will seek greater student and staff representation at faculty



**RESOLVED**

To receive the CEO report.

[REDACTED]

**8. Staff pay award**

**RESOLVED**

To approve the recommendation that staff should receive a 1% pay award, subject to student numbers being met. If student numbers are not met, the payment of the award will be delayed until they have been met.

**9. Management accounts and year-end forecast**

The Group deficit for the period to 31st May is £304k compared to a forecast deficit of £587k, a favourable variance of £283k. There is a positive variance of £1.2m on pay costs, which we expect to rise before the year end, which is due mainly to vacancies which have purposely been left vacant.

The Corporation reflected on the work and effort to get to this point as the position is better than previously hoped.

It was reported that Lloyds Bank had agreed to amend the loan covenant relating to the ratio of external debt to net assets. This will be increased from 40% to 50% to cover the period ending 31st July 2015.

**RESOLVED**

To receive the management accounts

That the Chair/Vice-Chair and the CEO were authorised to sign any documents related to this amendment on behalf of the Corporation

**10. Group budget 2015-16 and financial plan**

Agenda item 10 provided details of the management accounts and the latest forecast update, which shows an estimated out-turn deficit for the year of £62k, compared to the previous estimate presented to the last meeting, which was a deficit of £200k. A governor emphasised that experience has highlighted that there are issues with forecasting and that from a governance perspective that the governing board should ensure they have clear oversight.

**RESOLVED**

To receive and approve the group budget

**11. Internal audit strategy 2015-16**

The focus of the discussion was on the internal audit plan which sets out the areas to be audited in 15/16. These areas are to include: budget setting and budget control, Activate Enterprise, Key Financial Controls, Governance, Framework for Compliance with Legal Regulatory Framework; Quality Assurance Systems, Learner Number Systems, Follow Up and Audit Management. The Corporation agreed with the recommendations.

It was questioned as to whether the internal audit opinion affected the need for the Deloitte review, as recommended by the bankers. It was suggested that similar information will be reviewed in each process and that as we are buying in these services it is pertinent to look at the value.

The Corporation were advised that the UTCs and Activate Enterprise are also included within the scope of the internal audit strategy.

**RESOLVED**

To approve the internal audit strategy 2015-16

**12. External audit strategy and planning memorandum**

**RESOLVED**

To approve the external audit strategy and planning memorandum

**PERFORMANCE MONITORING**

**13. Group improvement plan and HE self-evaluation document**

An update on the group improvement plan was received for information.

It was noted that Higher Education is a potential growth area for Activate Learning and this potential is being looked at by the Group Executive Team.

**RESOLVED**

To receive the update on the group improvement plan

To receive the self-evaluation document for higher education

**14. Group Risk Register (Audit and Risk)**

The Corporation reviewed the Group Risk Register

**RESOLVED**

To receive the risk register

To work with Committee officers and the risk management group to improve the report to highlight the change in risks and the most significant risks.

To remind Committees that it is the impact analysis that they should be focusing their attention on when reviewing the risk register.

## STATUTORY REQUIREMENTS

**15. Policies**

The Group Health and Safety Policy has been reviewed and is awaiting approval, further to review from the Corporation Chair who was actioned by the FE&GP Committee to review the updated policy.

**RESOLVED**

That the Corporation Chair will be given delegated authority to approve the Health and Safety Policy

## ITEMS FOR INFORMATION

**16. Code of Good Governance for English Colleges**

**RESOLVED**

To receive the Code of Good Governance for information

**17. Committee minutes**

Governors were informed that Committee minutes are located on the Governors SharePoint site.

**RESOLVED**

To receive the following minutes:

- Transformation Working Group – 12th June 2015
- People and Change – 11th June 2015
- Audit and Risk Committee – 9th June 2015
- Finance, Resources and General Purposes – 18th May 2015 and 20th June 2015
- Search Committee – 12th May 2015 and 2nd June
- Governors Away Day Workshop – 12th May 2015
- Curriculum Quality and Standards – 3rd March 2015
- Activate Enterprise Board

**18. Date of next meetings**

- 9 October, 8-11am, Corporation half-day workshop
- 8 December, 5:30- 7-30pm, main Corporation (Prevent Training for Governors, 4:30-5:30pm)
- 29 January, 8-11am, Corporation half-day workshop
- 22 March, 5:30- 7-30pm, main Corporation
- 12-13 May 2016, 3-3pm, Corporation Away Day
- 12 July, 5:30- 7-30pm, main Corporation

Chairman .....

Date .....