



THE CORPORATION BOARD OF EAST SURREY COLLEGE

OPEN MEETING HELD ON THURSDAY 26 MARCH 2015

Meeting commenced: 18.00
Meeting ended: 19.30

PRESENT

Mr Michael Axelrod	Independent Member	
Mrs Hayley Dalton	Support Staff Member	
Mrs Margaret Davey	Independent Members	Vice Chair
Mrs Jayne Dickinson	Principal and Chief Executive	
Mr Ray Elgy	Independent Member	
Ms Rosemary French	Independent Member	
Dr Andrew Gilchrist	Independent Member	
Ms Susan Kay	Independent Member	
Mrs Catherine Prest	Independent Member	
Mrs Liz Rushton	Independent Member	
Mr Ron Searle	Independent Member	
Dr Barbara Spittle	Independent Member	Chair
Mr Neil Ward	Academic Staff Member	

IN ATTENDANCE

Mrs Isobel Wallace	External Co-opted Member of the Audit Committee
Mr Kevin Standish	Deputy Principal: Curriculum and Standards
Mrs Ann-Christine Harland	Vice Principal: Finance and Resources

ABSENT

Mr Pilirani Mshamboza	Student Member
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APOLOGIES FOR ABSENCE

Mr Andrew Baird	Independent Member
Mr Robert Campbell	Student Member
Mr Brian Smith	Independent Member
Mrs Vanessa Guest	Independent Member

CLERK

Mrs Sue Glover	Clerk to the Corporation
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C.01.15 DECLARATION OF INTERESTS

Members and officers were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

C.02.15 APOLOGIES FOR ABSENCE

Apologies for absence were received from three members of the Board

Mr Andrew Baird	-	business commitments
Mr Robert Campbell	-	personal commitments
Mr Brian Smith	-	personal commitments
Mrs Vanessa Guest	-	personal commitments

AGREED

The Board accepts the apologies for absence.

18.05 Mr Michael Axelrod left the meeting

18.05 Ms Rosemary French arrived

C.03.15

MEMBERSHIP OF THE CORPORATION

The Clerk to the Corporation presented a report which identified two issues, relating to the current membership of the Corporation Board, for consideration and approval.

Independent Member

Mr Michael Axelrod

Members were informed that, at the meeting of the Search and Governance Committee held on 12 February 2015, consideration had been given to the application for re-appointment to the Board of Mr Michael Axelrod.

Members were advised that the Search and Governance Committee had considered his application on the basis that he is finding it difficult to attend all meetings of the Audit Committee and Corporation Board in addition to serving on the strategic options review working group. However, he had indicated his willingness to continue for a second four year term if possible in a reduced capacity.

The Search and Governance Committee agreed that Mr Axelrod's expertise has been a great benefit to the Corporation and would be a noticeable loss if he were unable to continue. The Committee recommends to the Board that Mr Axelrod be appointed for a second four year period of office from 1 May 2015 to 30 April 2019, without having to serve on a committee, but would be expected to attend all meetings of the Corporation Board in order to retain his membership. He would also continue to attend meetings of the strategic options review working group as they occur.

RESOLVED

The Corporation Board unanimously approves the re-appointment of Mr Michael Axelrod as an Independent Member of the Board for a second four year period of office during the period 1 May 2015 to 30 April 2019.

18.10 Mr Michael Axelrod re-joined the meeting

The Chair congratulated Mr Axelrod on his re-appointment.

Independent Member

Mr Brian Smith

Members were informed that, at the meeting of the Search and Governance Committee held on 23 October 2104, it was agreed not to reappoint Mr Smith when his term of office ended on 31 December 2104 due to his inability to commit to the required term of four years.

At the last meeting of the Corporation Board held on 11 December 2014, members were advised that he subsequently reconsidered his position and had met with the Chair and Vice Chair to discuss further. It was agreed that the outcome of the meeting would be considered at the next meeting of the Search and Governance Committee.

Members were informed by the Vice Chair that, at the meeting of the Search and Governance Committee held on 12 February 2015, she advised that he had still been unable to commit to the required term of four years and remained intransigent on the issue. The Committee had therefore agreed that their original decision not to reappoint Mr Smith remains.

Some members expressed concern that with the loss of Mr Smith who had served on the Audit Committee there could be a gap in relevant expertise. It was noted that membership of the committees will be refreshed at the next meeting of the Corporation Board in preparation for the commencement of the 2015/16 academic year and the skills audit exercise currently being undertaken will help to identify where members are best placed on committees to ensure their expertise is fully utilised.

RESOLVED

The Corporation Board approves by a majority not to reappoint Mr Brian Smith as an Independent Member of the Board.

C.04.15 NOTIFICATION OF ANY OTHER BUSINESS

Members agreed that there was no other business for consideration.

C.05.15 UNCONFIRMED MINUTES OF THE PART 1 MEETING OF THE CORPORATION BOARD HELD ON 11 DECEMBER 2014

The unconfirmed minutes of the meeting were reviewed and it was agreed that some of the detailed information contained in **Minute C.60.14 Annual Pay Recommendations: 2014/2015** was not relevant.

Members agreed that the minutes should be revised to remove the non relevant wording and that, following this revision, the minutes should be approved and signed as a correct record.

C.06.15 MATTERS ARISING AND ACTION POINTS FROM THE MINUTES OF THE PART 1 MEETING HELD ON 11 DECEMBER 2014

Members noted that the Ten Year Forecast presented to the Finance and Resources Committee meeting held on 27 November 2014 was to be presented to the Corporation.

The Vice Principal: Finance and Resources advised members that the Ten Year Forecast had been prepared to complement the Coast to Capital bid and is available to review in the Governors e-Reading Room. It had been agreed at the last meeting of the Finance and Resources Committee held on 12 March 2015 not to update the ten year forecast in the light of continuing funding changes and financial activity in the sector making this impractical and to focus on the current term and revert to a three year forecast, which had been reviewed at the meeting.

Members noted the satisfactory completion of progress on the Action Points arising from the meeting.

C.07.15 AUTHORISED COLLEGE BANK SIGNATORIES

The Clerk to the Corporation presented, for consideration and approval, amendments to College bank signatories in accordance with Financial Regulations 14.3 banking arrangements.

Members were advised that the College Finance Manager is on maternity leave until mid June 2015. A temporary Finance Manager has been employed from January 2015 until October 2015 and it is appropriate to add her name to the list of authorised signatories of the NatWest current account.

Due to the timeframe between the temporary Finance Manager's appointment in January 2015 and the Corporation meeting on 26 March 2015, Chair's Action was taken on 29 January 2015 to approve the additional authorised signatory. This was subsequently approved by NatWest bank, subject to full endorsement by the Corporation.

RESOLVED

The Corporation Board endorses Chair's Action to approve the temporary Finance Manager as an additional authorised signatory of the NatWest current account.

C.08.15

INTERNAL AUDIT LETTER OF ENGAGEMENT AND INTERNAL AUDIT CHARTER

The Vice Principal: Finance and Resources presented, for consideration and approval, the Internal Audit Letter of Engagement: 2014/2015 and the Internal Audit Charter.

Members were reminded that the Audit Committee considers for approval, on an annual basis, the Internal Audit Letter of Engagement.

Members noted that the document had been considered at the meeting of the Audit Committee held on 11 March 2015 and had been commended, subject to minor amendment, for further consideration and approval by the Board.

Members considered the detail of the Letter, in particular

- Scope of Work
- Ethical Standards for Auditors
- Timetable
- Reporting
- Contact Points and Authorisation
- Fees
- Terms and Conditions of Business and Additional Terms

The new Internal Audit Charter outlines in more detail the responsibilities of the Head of Internal Audit and is a requirement of the Baker Tilly Internal Audit manual. This document had also been considered at the meeting of the Audit Committee held on 11 March 2015 and had been commended for further consideration and approval by the Board.

Members noted the impact measures arising from the report, in particular the Strategic Implications.

RESOLVED

The Corporation Board endorses the recommendation of the Audit Committee and approves the Internal Audit Letter of Engagement: 2014/2015 and the Internal Audit Charter.

C.09.15

APPOINTMENT OF NEW EXTERNAL AUDITORS

The Vice Principal: Finance and Resources presented, for consideration and approval, the recommendation of new external auditors for the 2014/2015 Annual Financial Statements following the recent selection interviews.

Members were advised that the tender specifications for the process had resulted in eight audit firms being invited to tender. Out of these eight, the following four audit firms submitted tender documentation:

- Buzzacott
- Mazars
- Moore Stephens (Guildford) LLP
- UHY Hacker Young

The tender process had taken longer than expected and therefore the documentation from the above audit firms had not been received in time for the Audit Committee to review at their meeting on 11 March 2015. However, the documentation was subsequently reviewed by the Vice Principal: Finance and Resources and the Chair of the Audit Committee who, through a rigorous scoring process, selected two candidates for interview, Buzzacott and UHY Hacker Young, on 23 March 2015.

Members were advised of the details of each of the interviews and of the basis on which, following the analysis of each candidate, it was considered appropriate to recommend UHY Hacker Young, subject to receiving further references. It was agreed that the Chair of the Corporation and the Chair of the Audit Committee would take Chair's Action in order for final approval to be given on receipt of further satisfactory references.

RESOLVED

The Corporation Board endorses the recommendation of the Chair of the Audit Committee and approves the appointment of UHY Hacker Young as the College's Annual Financial Statements Auditor with effect from 1st April 2015, based on a significant fee reduction over a three year contract of over £15k and references received to date and subject to further references being received when Chair's Action will be taken for final approval.

C.10.15 ANNUAL SCHEDULE OF MEETINGS OF THE CORPORATION BOARD AND COMMITTEES: 2015/2016

The Clerk to the Corporation presented, for consideration and approval, the Annual Schedule of Meetings of the Corporation Board and Committees: 2015/2016.

Members were advised that the report on the Annual Schedule of Meetings had been considered at the meeting of the Finance and Resources Committee held on 12 March 2015 and had been commended for approval by the Corporation Board, subject to agreement of the date of the Corporation Spring term meeting.

Members were advised that the schedule reflected that of the current and previous years.

Members noted that the suggested date for the Corporation Spring Term meeting was the first week of the Summer Term in order to reduce the congestion in the short Spring Term and it was agreed this was a sensible approach.

Members noted the key impact measures arising from the report, in particular the Strategic and Risk implications.

RESOLVED

The Corporation Board endorses the recommendation of the Finance and Resources Committee and approves the Annual Schedule of Meetings of the Corporation Board and Committees: 2015/2016.

C.11.15 SEARCH AND GOVERNANCE COMMITTEE

MEETING OF THE SEARCH AND GOVERNANCE COMMITTEE HELD ON 12 FEBRUARY 2015

Members noted that the unconfirmed minutes of the meeting were available on the intranet.

REPORT OF THE CHAIR OF THE SEARCH AND GOVERNANCE COMMITTEE AND ISSUES FOR CONSIDERATION AND APPROVAL

The Chair of the Search and Governance Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Risk Management: Spring Term 2015
- Review of College Governance with members of the Corporation: 2014/2015
- Skills Audit and Diversity Audit and Training Needs Assessment: 2015

C.12.15 LEARNING AND QUALITY COMMITTEE

MEETING OF THE LEARNING AND QUALITY COMMITTEE HELD ON 26 FEBRUARY 2015

Members noted that the unconfirmed minutes of the meeting were available on the intranet.

REPORT ON BEHALF OF THE CHAIR OF THE LEARNING AND QUALITY COMMITTEE AND ISSUES FOR CONSIDERATION AND APPROVAL

The Chair of the Learning and Quality Committee, reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- College Quality Improvement Plan 2014/2015: Spring Term 2015
- Governors' Quality Improvement Plan 2014/2015: Spring Term 2015
- Review of College Policies
 - ESC 20 Student Voice Policy
 - ESC 04 Quality Improvement Policy
 - ESC 10 Internal Verification Policy
 - ESC 26 CPD Policy
- Risk Management: Spring Term 2015

Members were informed that a separate working group, which includes independent members, has been set up to review the College Quality Improvement Plan and the Post Inspection Action Plan. This group will meet before each meeting of the Learning and Quality Committee to discuss key issues in more detail which can then be reported to the Committee. This will allow the detailed scrutiny of these papers to take place outside the meeting and allow the Learning and Quality Committee to focus on the strategic implications of what is being proposed.

C.13.15 FINANCE AND RESOURCES COMMITTEE

MEETING OF THE FINANCE AND RESOURCES COMMITTEE HELD ON 12 MARCH 2015

Members noted that the unconfirmed minutes of the meeting were available on the intranet.

REPORT OF THE CHAIR OF THE FINANCE AND RESOURCES COMMITTEE AND ISSUES FOR CONSIDERATION AND APPROVAL

Dr Barbara Spittle, independent member of the Finance and Resources Committee, reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Review of College Policies
 - ESC 45 College Fees and Course Costing Policy
 - ESC 30 Capability Policy
 - ESC 32 Disciplinary Policy
- Risk Management: Spring Term 2015

C.14.15 AUDIT COMMITTEE

MEETING OF THE AUDIT COMMITTEE HELD ON 11 MARCH 2015

Members noted that the unconfirmed minutes of the meeting were available on the intranet.

REPORT OF THE CHAIR OF THE AUDIT COMMITTEE AND ISSUES FOR CONSIDERATION AND APPROVAL

Mr Michael Axelrod, independent member of the Audit Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Risk Management: Spring Term 2015
 - Members received the Risk Register: Spring Term 2015

RESOLVED

The Corporation Board

- notes the reports of, or on behalf of, the Chair of each of the committees of the Board
- endorses the approval by each committee of the key issues considered and approved at the meetings
- endorses and approves the reports submitted by each committee for consideration and approval

C.15.15 REPORT OF THE PRINCIPAL AND CHIEF EXECUTIVE

The Principal and Chief Executive presented her report, drawing attention to issues not otherwise covered in the agenda, including:

- The FE Landscape
- Quality
- Student Support
- Enrolments and Applications
- Employer Engagement
- Higher Education
- Safeguarding/Safeguarding Training Prevent
- Student Activity
- Finance and Funding

AGREED

The Corporation Board receives and notes the Report of the Principal and Chief Executive.

C.16.15 KPI DASHBOARD

Members received the KPI Dashboard: January 2015 and reviewed each of the KPIs in the light of the most recent information.

Particular attention was given to

KPI 15.1 – Attendance – Full time SFA/EFA Funded Learners
KPI 15.2 – Attendance – Part time SFA/EFA Funded Learners
KPI 17 – Long Retention

AGREED

The Board receives and notes the KPI Dashboard: January 2015.

C.17.15 ANY OTHER BUSINESS
There was no other business.

C.18.15 DATES OF CORPORATION BOARD MEETINGS: 2013/2014
Saturday 27 June 2015 commencing at 09.30 – Board Self Assessment
Tuesday 30 June 2015 – College Annual General Meeting
Thursday 9 July 2015

All weekday meetings commence at 18.00

At the conclusion of the Part 1 meeting, the Corporation Board moved into a meeting restricted, in accordance with the Instrument and Articles of Government and with Section 22 of the Freedom of Information Act 2000, to the members of the Board and to the senior postholders.

SIGNED AS A CORRECT RECORD: *B.M. Spence*

DATE: 9 July 2015