**MEETING OF THE FULL CORPORATION**

**OF FAREHAM COLLEGE**

7th December 2016

**M I N U T E S**

**Present:** Mr K Briscoe

Miss E Champion

Mr S Christian

 Mr N Duncan

 Mr L Fitzjohn *(in attendance until item 10(i))*

 Mr P Grimwood

 Mr D Hart (Vice-Chair)

 Mr M Hoban

 Mr R Kew (Chair)

 Mrs J Lancaster

 Mr S Riches *(in attendance until item 10(i))*

 Miss H Smith *(in attendance until item 10(i))*

Mr A Spires

 Dr C Thomas

Mrs P Tilt

 Ms K Woods

**In attendance:** Mrs J Eayrs (Clerk)

Mr A Kaye (Deputy Principal)

*At the start of the meeting the Principal presented a Principal’s Commendation to Callum Stephens for his outstanding contribution and service to the Uniformed Services Department.*

**61/16 Presentation on Social Media**

 Members of the Board received a presentation on Social Media from Sarah Nunn, Digital Marketing Officer and Gill Sommers, Director Students and Recruitment. During the presentation Ms Nunn drew the following to members’ attention:

* Social media was used as a key marketing tool to drive ‘traffic’ to the College website;
* The College was working hard to establish itself against the competition and had developed a strong branded image online;
* Miss Nunn strongly believed that the College was the only college locally using social media strategically. Members were advised that a Social Media Strategy had been developed a few months previously;
* All the platforms used were different in their own way and not all content was shared across all platforms;
* Social Media statistics which included:
- Snapchat score (85);
- Instagram followers (743);
- LinkedIn followers (1660);
- Facebook likes (3430);
- Twitter followers (5325);
* Over the last few months the College had introduced sophisticated tracking and analysis of data;
* Governors sought clarification on the higher period of engagement and whether that could now be tracked. Miss Nunn explained that the beginning of term was a boost for followers. She went on to say that the schedule of social media activity which had been developed ensured the maximum impact was secured from each of those different times of year i.e. uplift after an Open Event etc;
* Members reviewed Social Media Following statistics and Facebook engagement per post compared to other local colleges. The Chair acknowledged that the College was clearly ahead of the competition in terms of engagement. He requested that an update on the progress and development of social media be provided to Governors in six months time.

*The Chair thanked Miss Nunn for her presentation and she left the meeting.*

**62/16 Declaration of Interests**

 Members were reminded of the need to declare any personal or financial interest in any items of business to be considered during the meeting. No interests were declared.

**63/16 Apologies for absence and welcome to new members**

 Apologies for absence were received and accepted from Mr Mansergh, Mr Ramsay, Mrs Baxter (Director of Finance & Funding), Mr Dingsdale (AP/MD CEMAST) and Mrs Hinton (Executive Director HR). The Chair welcomed the Student Governors to their first meeting of the Board:

* Sam Riches – Student President;
* Lee Fitzjohn – Student Vice-President (BRC);
* Hannah Smith – Student Vice-President (CEMAST).

Members noted that they would be ‘in attendance’ until their appointment to the Board had been confirmed under agenda item 10(i).

**64/16 Minutes of the Special meeting held on the 5th October 2016**

 The minutes of the special meeting held on the 5th October 2016 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them which were not covered elsewhere on the agenda.

**65/16 Confidential minutes of the special meeting held on the 5th October 2016**

 The confidential minutes of the special meeting held on the 5th October 2016 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them which were not covered elsewhere on the agenda.

**66/16 Correspondence**

1. **SFA Letter dated 7th November 2016: Fareham College Financial Plan 2016-2018** – Members of the Board reviewed the letter from the SFA which included a financial health dashboard and noted that the College’s assessment grade, based on the financial plan submitted, was ‘Good’ for 2015/2016 and ‘Good’ for 2016/2017;

**Members reviewed and noted the contents of the correspondence.**

**67/16 The Principal’s Autumn Term Report – December 2016**

Members of the Board received the Autumn Term Report from the Principal which was confidential to members of the Board and which summarised key issues and developments in the work of the College during the Autumn term.

The Principal spoke to the paper and drew the following to members’ attention:

* **2016-2017 Learner Numbers** – The Principal reported the number of full-time 16-18 year old students that had been recorded on the ILR RO4 as 1365 compared to the College’s target of 1498. He explained that, whilst this was a significant shortfall in numbers, the value of each learner was more than in previous years and, as a result, the under allocation was anticipated to be circa £400k. He went on to say that an external consultant had been appointed to review the College’s ILR to ensure that all of the fundable income was being optimised. In addition, Governors were assured that the shortfall would be addressed with additional January starts, Traineeship and Apprenticeship activity which attracted in-year growth. Members were advised that the College had submitted an in-year apprenticeship growth request for £350k;
* **Adult Education Budget (AEB)** – Recruitment was below the full allocation but Adult Loans had exceeded target for the first time. Members noted that this was due to the change in funding methodology for some courses which no longer attracted funding and which meant that students were required to take out a loan or pay in full. Members were advised that this budget would now be managed very carefully to reach year-end as close to allocation as possible;
* **Employer Responsive** – The Principal confirmed that the College was now approaching the 700 apprenticeship mark and was looking to exceed the strategic target of 1000 in-year by a further 50 to compensate for fewer full-time 16-18 year olds;
* **Performance KPIs** – The Principal confirmed that the Deputy Principal would include this information in his presentation on the Self-Assessment Report;
* **Learner Numbers Audit**: **SFA** – Members noted that a Learner Numbers Audit of the 2015/2016 ILR had taken place at the beginning of the academic year. The Principal confirmed that he outcome of the audit had been a positive increase on the funding for 2015/2016 combined with a series of actions to ensure compliance going forward. Members were advised that the actions had broadly amounted to a tightening up of procedures in relation to the following areas:
- Sub-contracting arrangements;
- ESF validations;
- Learner Start dates;
- English and Maths start dates;
Members noted that a response and action plan had been returned to the SFA;
* **Area Based Review** – The Area Based Review Final Report had been circulated by the Clerk via email. Members were reminded of the recommendations for the College enshrined within the Report. The Principal confirmed that he was actively working with the Principal of Eastleigh College to develop a programme of joint activities that would fulfil these recommendations;
* **Highlights of the Autumn Term** – Members reviewed and noted the key developments in the College, in particular, that Avenue 141 had achieved AA Highly Commended and Rosettes for its level of service and cuisine. In addition, the restaurant had also been awarded a Gold Award by the sector’s lead body People First. The Principal confirmed that these accolades would be used in the marketing/publicity of the restaurant going forward;
* **Human Resources** – The Principal confirmed that turnover during the term had been higher than expected with a number of key staff leaving for promoted posts or to pursue personal ambition. In particular he advised members that the senior/middle management structure had recently be re-engineered to support important initiatives and changes and the IT Services Team had been reorganised to strengthen the College’s IT capability;
* **Capital Works BRC** – Members noted that the current list of outstanding works/snagging totalled 58 which mostly related to landscaping. The Principal confirmed that he continued to put pressure on the main contractor Bouygues UK to complete the works to a satisfactory standard;
* **Finance and Funding** – The Principal confirmed that the College’s financial position continued to be extremely tight but every effort was being made to achieve a surplus position at the end of the year;
* **Spending Review** – Members reviewed and noted the main points arising from the Autumn Statement to Parliament;
* **Risk Management** – Members reviewed the that the Residual Risk Analysis as outlined on page 6 of the Report and noted that the Risk Register currently contained 38 key risks.

**Members of the Corporation reviewed and noted the contents of the Principal’s Autumn term report.**

**68/16 Progress Review of Strategic Priorities**

 Members of the Board received a paper which provided the first of three progress reviews of the Strategic Objectives for 2016/2017. The Principal spoke to the paper and referred members to the 4 ‘red’ objectives which represented little or no progress and which related to:

* **Sustained growth in 16-18 year old recruitment** – The Principal confirmed that this target could have been met but too many full-time students withdrew during the first 6 weeks of their programme. Governors challenged why so many students had withdrawn so early in their chosen programme. The Principal responded by saying that some had transferred to Apprenticeships or found full-time employment which could be seen as a positive outcome. In addition, he advised members that more than 50 students had withdrawn due to either suffering from ill health or not being able to fully commit to a full-time course (although not all of those students were 16-18 year olds);
* **Commercial trading income** – Members noted that trading income was £486k at year-end and the stretch target of £550k had not been met;
* **Actual operating surplus** of -0.3% due to lower than expected in come in relation to apprenticeship growth and an increase in Pension finance cost charges of £100k;
* **To significantly and rapidly improve the outcomes for Access to HE and Level 4 AAT** – Members noted that the previous lecturer for AAT Level 4 and the historic poor outcomes had been replaced and the structure of the course revised. In addition, members noted that management for Access to HE had been realigned and robust monitoring of student progress in these areas was in place.

 **Members reviewed and noted the progress that had been achieved during the first part of the academic year.**

**69/16 The Self-Assessment Report 2015/2016**

 Members of the Board had received the 2015/2016 Self-Assessment Report Executive Summary for consideration and review. An electronic version of the full document had also been circulated to all members.

The slides of the presentation provided by the Deputy Principal are attached as an **Appendix** to these minutes.

In particular, the Deputy Principal drew Governors’ attention to the following key points:

* The Self-Assessment Report summarised the position of the College in the last academic year and had been reviewed and discussed at several different committees;
* The Report itself was only truly valid at the time of writing as things continually changed;
* The Report would be emailed to OfSTED to ensure they had a record of all providers’ self-assessment reports with an updated version being sent if the College received the inspection notification call;
* Members reviewed the ‘Overall Effectiveness’ and summary of grades outlined on page 1 of the report. It was noted that all areas had been deemed ‘Good’ with the exception of Effectiveness of Leadership and Management and Traineeships which had been deemed ‘Outstanding’. The Deputy Principal confirmed that the ‘outstanding’ claims would need to be robustly justified to the OfSTED Inspectors should the call be received;
* The Deputy Principal reported that the TSC&Q Committee had challenged whether the strategic target of ‘Outstanding’ would be achieved by 2017. He confirmed that the capacity existed to bring the other ‘Good’ areas up to ‘Outstanding’. However, he went on to explain that there would be limited opportunity for the College to be confirmed as ‘Outstanding’ by OFSTED as it would receive a light touch inspection on the next inspection round and there had been no occasions whereby a College had received a light touch inspection and been upgraded from ‘Good’ to ‘Outstanding’ status. He confirmed that, realistically, the only opportunity for the College to achieve this would be to self-assess itself as ‘Outstanding’;
* The Summary of key strengths and areas for improvement outlined on page 2 of the report were reviewed and noted;
* Members reviewed the key headline points arising from the HMCI’s Annual Report. In particular, members noted that a key criticism had been that teaching was not demanding enough and under-achievement of students from disadvantaged backgrounds. Governors challenged the success of the ‘non graded’ observation scheme and whether the intended improvements had been secured. In addition, members sought clarification on how many teaching staff were currently on the teaching development cycle (TDC). The Deputy Principal confirmed that less than 1% of teachers were on the TDC compared to less than 3% in 2015/2016;
* Members noted that the standards within the South-East Region had continued to rise but a particular challenge was the attainment gap experienced by disadvantaged pupils at all ages. As a result, the focus for the region was to ensure that schools and post-16 providers were supporting their more vulnerable and disadvantaged pupils in achieving more;
* The HMCI had acknowledged that it was unclear whether the GCSE qualification was the best way of ensure that students had the English and mathematical skills needed for their intended career. It had been recognised that an alternative Level 2 qualification may be a more appropriate means of improving these skills to ensure that they were ready for work;

**Members of the Board formally approved the College Self-Assessment Report 2015/2016.**

**70/16 HE Self-Evaluation Document (Executive Summary)**

 Members of the Board received an Executive Summary of the HE Self-Evaluation Document. Members were reminded that the document had been reviewed and considered by the TSC&Q Committee at its November meeting in order to meet the submission deadline of 1st December.

The Deputy Principal spoke to the paper and drew the following to members’ attention:

* He reminded members that a full presentation on the revised operating model for quality assessment for higher education had been provided at the special Board meeting in October 2016;
* At that meeting, members had been advised of the new requirement on Governing Bodies to provide confirmation/assurance about the student academic experience on an annual basis and the deadline for submission was 1st December 2016;
* The rigorous self-assessment validation process was outlined by the Deputy Principal and members were advised of the representatives on the Panel;
* Powers to provide assurance on behalf of the Board had been delegated to the Teaching, Students, Curriculum and Quality Committee and, as a result, the Board had acknowledged that this would be a retrospective report;
* The Deputy Principal confirmed that the TSC&Q Committee had received and discussed a report and accompanying action plan related to the continuous improvement of the student academic experience and student outcomes. This included evidence from the provider’s own periodic review processes, which fully involved students and included embedded external peer or professional review.

**Members of the Board noted that the TSC&Q Committee had formally agreed to provide assurance to the full Corporation that the College was effectively managing and delivering on quality assurance and enhancement related to the HE student academic experience and student outcomes.**

**71/16 Apprenticeship Strategy 2016-2020**

Members of the Board had received the Apprenticeship Strategy which had been reviewed and considered by the TSC&Q Committee. Members were reminded that, at the special meeting of the Corporation in October 2016, the Chair of the Corporation had requested the development of an Apprenticeship Strategy going forward and it had been agreed that a presentation on this would be provided to all Governors at the full Board meeting in December 2016.

The Deputy Principal provided members with a presentation, the slides used are attached as an Appendix to these minutes.

During the presentation, the Deputy Principal drew the following key points to Governors’ attention:

* The policy development of apprenticeships was outlined and the Deputy Principal confirmed that it had been included in the College’s Risk Register;
* The Government’s target to meet 3 million new apprenticeships by 2020;
* Major changes to funding to come into place in May 2017;
* Apprenticeship Levy to take effect from April 2017;
* The Institute of Apprenticeships and Technical Education to ‘go live’ in April 2017, with a remit of regulating the quality of apprenticeships;
* The Register of Apprenticeships Training Providers would come into effect from May 2017. Members were advised that the College would find out in March if it had been approved to deliver Apprenticeships in April 2017;
* Change in departmental responsibility from BiS to the DfE;
* Apprenticeship spending was outlined and the Deputy Principal confirmed that this would reach £2.45bn in England by 2019/2020;
* The Deputy Principal outlined how the College would be responding to these changes;
* The Deputy Principal advised members that he would be establishing an Employer’s Forum which would include Governors;
* The Deputy Principal confirmed that there were currently 129 levy paying employers in the PO and SO areas. It was suggested that this list be circulated to Governors to see whether networking or introductions to employers could be facilitated by members of the Board;
* Governors sought clarification on ‘alternative’ ways in which employers may find to spend the levy payment. The Deputy Principal advised members that apprenticeships could be legitimately used to retrain existing staff.

              **Members of the Board formally approved the Apprenticeship Strategy as recommended by the TSC&Q Committee.**

**72/16 The Careers and Personal Development (CPD) Strategy**

Members of the Board had received the CPD Strategy which had been reviewed and considered by the TSC&Q Committee. The Deputy Principal spoke to the paper and explained that the CPD course was a personalised programme of study that built on a learners’ earlier career-related learning and was aimed at helping the learner to understand themselves, their strengths, weaknesses and particular interests. The programme was aimed to prepare these learners for progression to a career they would like to follow.

 Governors questioned the success of this programme and the Deputy Principal confirmed that it had been relatively successful. It was noted that a significant challenge regarding English and Maths existed due to the fact the learner was not generally attending for a full year.

 **Members of the Board reviewed the contents of the paper and formally approved the CPD Strategy as recommended by the TSC&Q Committee.**

**73/16 Management Accounts at 31st October 2016**

Members of the Board received a confidential paper on the Management Accounts to the 31st October 2016. Due to the confidential nature of the contents of the paper and the related discussions, this item is recorded as a separate confidential minute for Governors only.

**74/16 Pay and Remuneration: Position Paper – December 2015**

 Members of the Board received a confidential position paper on Pay and Remuneration – December 2016. Due to the confidential nature of the contents of the paper and the related discussions, this item is recorded as a separate confidential minute for Governors only.

**75/16 Membership Issues and Report of the Search Committee**

Members of the Board received and reviewed a paper on Membership Issues and Report of the Search Committee. The paper outlined the issues which had been considered by the Search Committee at its last meeting in November 2016 and the recommendations which were made for formal approval by the Board were as follows:

**(i) Members reviewed and noted the contents of the paper and noted the current membership position as outlined in Appendix A to the paper;**

**(ii) Formally accepted the recommendation of the Search Committee and re-appointed Mr Russell Kew to the Board to serve for a third and final term of office from 01.01.17 to 31.12.19;**

**(iii) Formally accepted the recommendation of the Search Committee and agreed that Mr Paul Marchbank be appointed to the Board as an Associate Governor/Governor in Waiting so that, should a vacancy arise, he could take up post immediately, depending on the skills being lost at that time;**

**(iv) Members formally confirmed the appointment of Samuel Riches (Student President), Lee Fitzjohn (Student Vice-President BRC) and Hannah Smith (Student Vice-President CEMAST) to the Board as Student Governors to serve from 7th December 2016 to 31st December 2019 or until they ceased to be a student, whichever came first. Members acknowledged that the two Vice-Presidents would undertake their Student Governor role on a ‘shared’ basis (i.e. 1 vote);**

**(v) Members formally approved the Membership of Corporation Committees outlined in Appendix B to the paper;**

**(vi) Members noted the position regarding the memberships which were due to come under review during the remainder of the 2016/2017 academic year and the proposed related actions.**

**76/16 Outcomes of the Governance Self-Assessment 2015/2016**

 Members of the Board received a paper on the Outcomes of the Governance Self-Assessment 2015/2016. The analysis from the completed on-line self-assessment questionnaires was provided as Appendix A to the paper for members’ consideration as well as a summary sheet which provided a comparison of the 2014/2015 overall outcomes.

 Members reviewed the analysis provided and agreed a self-assessment Grade 2 for Governance for the 2015/2016 year.

 **Members of the Board reviewed the outcomes and formally assigned a Grade 2 for Governance for the 2015/2016 academic year.**

**77/16 Annual Report on Safeguarding – Dec 2016**

 Members of the Board received the Annual Report on Safeguarding which provided an annual overview of the College’s Safeguarding practices, procedures and monitoring in relation to staff and students.

 Mrs Sommers provided members with a briefing on Safeguarding to ensure that they fully understood their role related to this area. In presenting the report she drew the following to members’ attention:

* The guidance ‘Keeping Children Safe in Education’ placed statutory requirements on all governing bodies to make sure that their college had policies and procedures in place;
* Governors had a duty to have read and understood Part 1 of the guidance. Members were invited to email the Clerk to confirm once they had done so;
* Key points for members to be aware during 2015/2016 were as follows:
- there had been a 12% increase in emotional support;
- 82% if those supported had mental health issues;
- 8 students had been excluded (and 5 so far this year) due to poor behaviour;
- there had been 9 incidents of bullying (mostly online);
- there had been 2 reportable allegations against members of staff (1 had since left and the other was a consultant and the matter had been appropriate reported and resolved).
* Members were reminded that the Vice-Chair, Derek Hart, was the designated Governor responsible for safeguarding and he undertook a termly check of the Single Central Register;
* During the academic year two out of the three staff development days had been used as an opportunity to train all staff on both PREVENT and Better Safeguarding. In addition, members noted that all staff had completed the Education and Training Foundation’s on-line module on PREVENT. Members noted that this comprehensive module was now included in the College’s induction programme for new staff;
* All members of the Safeguarding Team had updated their training and would continue to do so on an annual basis. Members were advised that more specific training would be offered to staff who had prolonged contact with the more ‘vulnerable’ students or students who were deemed at a greater risk;
* The Board were provided with a brief summary of how the College was raising awareness amongst students and how a range of topics were included in the tutorial programme and associated resources made available via Oracle. Members were advised that Student Focus Groups were currently exploring ‘how safe do our students feel’ and responses received to date had been extremely positive. In addition, the Principal highlighted the success of the ‘Safe Drive Stay Alive’ presentation which had been attended by more than 600 College students and which had been delivered in partnership by Hampshire Police, the local Council and other emergency services;
* Health issues had increased and that this was indicative of society in general. Members noted that the College was facing an unprecedented increase in more complex issues that affected the mental well-being of learners;
* Members were advised that, during 2015/2016, the support team had initiated a project to highlight the dangers of ‘sexting’ as this had become a huge concern for all agencies as well as parents and young people affected by it. The project had resulted in some excellent collaboration between local schools and the College which had led to the production of a video ‘Sent:Delivered:Seen’. Members noted that the video had now been adopted by Hampshire Police who had included it on their Safe4U website;
* Governors questioned whether contractors were DBS checked and Mrs Sommers confirmed that they were;
* Members acknowledged that Apprentices were more at risk as they were out in the work place with adults. Mrs Sommers outlined the processes and procedures in place to ensure the safety of those learners;
* One Governor expressed concern that he had not been challenged when he had come into College without a visitors’ badge. The Principal expressed the view that it was an open site and, as a result, people could just wander in. Mrs Sommers confirmed that, by raising awareness through the tutorial programme students were being provided with the tools to know what to do and who to contact. She stated that results from student surveys and focus groups overwhelmingly confirmed that students felt safe in College.

**Members of the Board reviewed and noted the contents of the paper and formally approved the Annual Safeguarding Report – December 2016.**

**78/16 Annual Report on Equality and Diversity – Dec 2016**

 Members of the Board received the Annual Report on Equality and Diversity 2015/2016 which provided Governors with an annual overview of the College’s Equality and Diversity practices, procedures and performance in relation to staff and students.

 Mrs Sommers spoke to the report and drew the following to members’ attention:

* The College was committed to promoting equal opportunities for all members of its community and its commitment underpinned all the College’s work with students and staff;
* Equality and Diversity must be seen to embrace a very wide range of key issues in the sector, such as inclusive learning and widening and increasing participation as well as ensuring that the College complied fully with all legislation;
* The key issue for Governors was in the reporting on Equality and Diversity and whilst this affected all aspects of College life and would, therefore, be reflected in the work of the Corporation Committees, the full Board would want to be assured of the progress being made and that the College was complying with legislation;
* The Wellbeing Committee continued to oversee Equality and Diversity as part of its overall responsibilities and it received regular reports and recommendations from the Equality and Diversity Working Group;
* Members reviewed and noted the achievements in 2015/2016;
* Members noted that there had been a review of the published ‘Qualifications Success Rates’ for 2015/2016 which had identified some key areas of improvement and some continuing areas of poor performance. Members were advised that the EDIMS would, therefore, be reviewed for the 2016/2017 academic year to ensure that these groups of learners were continually monitored;
* Members questioned the staff BME and this was confirmed as 2%. The Principal confirmed that recruitment was a challenge with some disciplines attracting a more BME profile.

**Members of the Board reviewed the contents of the paper and formally approved the Annual Equality and Diversity Report 2015/2016.**

**79/16 Annual Report of the Risk Management Group - November 2016**

 Members of the Board received the Annual Report of the Risk Management Group – November 2016. Governors were aware that the College was required to submit an annual report to the Audit Committee and the Corporation on Risk Management in order to establish the College’s compliance with the Turnbull Committee’s recommendations.

The Principal spoke to the paper and advised members that the report was an annual ‘reflection’ of the work completed and the issues reviewed by the College’s Risk Management Group during the course of the year. Members noted the risk themes which had been considered during 2015/2016 had included:

* Student Numbers and Allied Funding;
* OFSTED;
* Middle Management capability and capacity;
* IT Capacity and capability;
* Bishopsfield Road Campus Development.

The Principal confirmed that, during the year, each Corporation Committee had received a report of the College’s top risks which were their responsibility to review along with the mitigation to reduce the risks identified.

Members were advised that the Audit Committee had agreed to recommend that the College’s Risk Management arrangements continued to be adequate to enable the Corporation to discharge its duties.

**Members of the Board reviewed the contents of the paper and accepted that the College's Risk Management arrangements were appropriate and adequate to enable the Corporation to discharge its duties.**

**80/16 The Annual Report of the Audit Committee to the Corporation 2015/2016**

Members of the Board received the Annual Report of the Audit Committee to the Corporation and Principal of Fareham College for the Financial Year 2015/2016. Members noted that the purpose of the Report was to advise the Board on the activities of the Audit Committee and the effectiveness of the whole internal control system of the College and its arrangements for risk management, control and governance during the year as required by The Joint Audit Code of Practice.

Governors noted that the report reflected the views of the Committee which stated that the internal control systems operating within the College were adequate and the responses of the management in respect of Internal and External Auditors were satisfactory. It was noted that the Audit Committee had agreed to recommend the Annual Report for formal approval by the Full Corporation.

**Members of the Board reviewed the Report and noted the discussions which had taken place at the Audit Committee during 2015/2016. Governors accepted and formally approved the Annual Report of the Audit Committee 2015/2016.**

**81/16 Internal Audit Annual Report 2015/2016**

 Members of the Board received the Internal Audit Annual Report 2015/2016 from the Internal Audit Service Provider, Mazars. Members noted that the report provided a summary of Internal Audit activities and outcomes during the last 12 months and page 2, Section 3 of the Report outlined the ‘Annual Opinion’ provided by the Internal Auditors.

 Members’ attention was drawn to:

* The Summary of Internal Audit work undertaken in 2015/2016 outlined in Appendix A1 to the paper (page 11 of the report);
* The Summary of Priority 2 recommendations outlined in Appendix A2 to the paper (page 13 of the report).

Governors were aware that it was important for the Board to confirm that assurance had been provided by the Internal Auditors prior to the consideration and approval of the College’s Financial Statements. In particular, section 3 of the Report stated the opinion of Mazars which confirmed that governance, risk management and internal control arrangements were generally adequate and effective to manage achievement of the College’s objectives and no fundamental weaknesses had been highlighted by the audit work completed.

 **Members of the Board noted the assurance of the Internal Auditors that adequate and effective governance, risk management and internal control arrangements were operating in practice and formally approved the Internal Audit Annual Report 2015/2016.**

**82/16 Internal Audit Strategy and Operational Audit Plan 2016/2017**

 Members of the Board received the updated Internal Audit Strategy and Operational Audit Plan 2016/2017 which had been reviewed and considered by the Audit Committee at its meeting in November 2016. Members were advised that the updated Plan 2016/2017 had been informed by:

* Liaison with the Director of Finance and Funding and discussions at the June 2016 Audit Committee meeting;
* A review of the key areas highlighted in the College Risk Register;
* Work conducted during 2015/2016.

As a result, the Operational Audit Plan 2016/2017 would be as follows:

* HR: Recruitment, Retention and Succession Planning – 4 days;
* Learner number systems – 3 days;
* Extended follow-up: to include the SFA Funding Assurance Review, sub-contracting, BCP; debt and cash management – 3 days
* Learner journey – 4 days;
* Core financial systems – 5 days;
* Audit management – 4 days.

**Members of the Board formally approved the Internal Audit Strategy and Operational Audit Plan 2016/2017 as recommended by the Audit Committee.**

**83/16 Financial Statements Year ended 31 July 2016, Audit Findings Report and Letter of Representation**

 Members of the Board received a copy of the audited Accounts 2015/2016 for consideration and approval. Members also received the Audit Findings Report from Grant Thornton, the Financial Statements Auditor, and a copy of the Letter of Representation.

The Principal spoke to the paper and drew members’ attention to the following:

* The Accounts had been considered by the F&R Committee at its meeting on the 16th November 2016;
* FRS102 had now come into effect and the Casterbridge model format adopted;
* The statement of income (page 28) reflected a deficit position. Members were reminded that this was due to unexpected costs in respect of demolition costs and additional pension charges;
* Members were advised that the process had been as smooth this year as the previous year;
* Members of the Audit Committee had provided feedback on a number of minor amendments to be incorporated into the version that had been presented to the full Corporation;

 Members reviewed and noted the Audit Findings Report and reviewed and approved the Letter of Representation for signature by the Chair.

 **Members of the Board formally approved the Financial Statements 2015/2016, the Audit Findings Report and the Letter of Representation for signature by the Chairman and the Principal for onward transmission to the SFA by the 31st December 2016.**

**84/16 Self-Assessment Questionnaire**

Members of the Committee received the Self-Assessment Questionnaire for consideration and review. The Principal advised the Board that the document had been considered by both the Finance and Resources and Audit Committees at their November meetings and both had agreed to recommend it for formal approval by the Board.

 **Members reviewed the contents of the paper and formally approved the Self-Assessment Questionnaire as recommended by the Finance and Resources and Audit Committees.**

**85/16 Annual Health and Safety Report to the Corporation 2015/2016**

Members of the Board received a paper on the Annual Health and Safety Report 2015/2016 (including Accident Statistics at Appendix 1 to the paper). Members reviewed the health and safety overview provided for 2015/2016 and noted the developments and improvements which had been secured during the year.

 **Members of the Board reviewed and noted the contents of the Annual Health and Safety Report 2015/2016 and formally approved it as recommended by the Finance and Resources Committee.**

**86/16 Termly Reports of Corporation Committees and Items for Information**

 Members of the Board had received the following items for information which had been circulated electronically in advance of the meeting:

* Termly Report of the TSC&Q Committee;
* Termly Report of the Finance & Resources Committee;
* Termly Report of the Audit Committee;
* Minutes of the Marketing Working Group from the following meetings:
- 21st September 2016;
- 16th November 2016.
* Minutes of the Wellbeing Committee meeting held on the 30th November 2016;
* Meeting Notes from the Staff Liaison Committee (SLC) (BRC) 5th October 2016;
* Meeting Notes from the SLC (CEMAST) 6th October 2016;
* Meeting Notes from the Student Board 4th November 2016;

**87/16 Review of the Pay and Remuneration of Senior Postholders and the Clerk**

*Executive Officers and Staff and Student Governors withdrew for this item****.***

Members of the Board received a strictly confidential report on the Review of the Pay and Remuneration of Senior Postholders and the Clerk. Due to the strictly confidential nature of the contents of the report and the related discussions, this minute is recorded as a separate strictly confidential minute for Governors who are not staff and students only.

**88/16 Date of next meeting**

 In accordance with the approved Corporation Calendar 2016/2017, it was noted that the next scheduled meeting of the full Corporation was due to take place on **Wednesday 5th April 2016 at 4.30pm.**