

**Minutes of the Meeting of the Corporation  
held on Wednesday 17<sup>th</sup> December 2014 at 8.00am  
at Matthew Bolton Campus**

**Present:**

Steve Hollis (Chair)  
Andrew Cleaves (Principal)  
Gala Albas (Student Governor)  
Stephen Brittan (SB)  
Gurjeet Bains (GB)  
Veronica Docherty (VD)  
Taher Hussain (Support Staff Governor) (TH)  
Kathryn James (KJ)  
Andrew Madden (AM)  
Ian Oakes (IO)  
Jenni Ord (JO)  
Clive Stone (CS)  
Dagen Thompson (Academic Staff Governor) (DT)

**Apologies:**

Anthony McCourt (AMC)

**In Attendance:**

Louise Jones - Chief Operating Officer (LJ)  
Mukesh Kumar – Chief Operating Officer (MK)  
Julie Nugent – Chief Operating Officer (JN)  
Bob Pattni – Chief Operating Officer (BP)  
Liam Nevin – Senior Clerk (LN)

**Declarations of Interest**

The Chief Operating Officers declared an interest in agenda item 6. It was agreed that this item would be taken at the end of the agenda whereupon those with interests would leave the room and take no part in the business.

**Item 1 – Open and Confidential Minutes of Meeting held on 25 September 2014**

These were approved as a true and accurate record of the meeting.

**Matters Arising and Action Log**

The Chairman paid tribute to the hard work and commitment of the retiring members; Clive Stone, Steve Brittan, Ian Oakes and Gurjeet Bains and thanked them for their service to the College.

It was noted that the Academic Standards and Quality Development Committee had reviewed in detail the position concerning academic results and this would be considered further under Agenda item 9.

It was further noted that the Finance and Business and Developments Committee had considered the three year financial forecast and that a three year budget comparative was provided in the supporting papers for agenda item 8.

## **Item 2 (i) – Birmingham Metropolitan College Strategy and Organisational Design**

LJ delivered a presentation which set out the vision, values and strategic goals that were proposed for the College, and the Organisational Design that would support their delivery. These had been developed and refined to reflect the detailed discussions with governors at the recent residential as well as feedback from staff. The Board was advised that the consultation was ongoing and may result in a further iteration of the proposals which would be reported back to the Corporation for approval.

JO questioned whether the Vice-Principals would be co-located and the Principal advised that experience had demonstrated clear benefits to the location of the senior team at Matthew Boulton College.

Governors questioned the extent and scope of consultation and LJ advised that there had been roadshows delivered to all staff over the previous two weeks, as well as focus groups, feedback from which was being presented on Sharepoint for the benefit of all staff.

The Principal noted that further significant work was needed to develop student governance and engagement in the College but there had been consultation with students through focus groups.

LJ reminded the Board that staff would be "mapped across" to jobs that were either the same or substantially the same as their current positions and that this would apply to about 60% of staff.

The Chairman asked for a summary of concerns that staff had expressed. LJ advised that in relation to Assistant Directors, some had expressed the view that the move to Departmental Managers felt like a demotion. However, others had perceived opportunities for promotion in the new structure and there was general agreement that the breadth of the existing Assistant Director roles was too onerous.

The Chairman asked the staff governors to express their views. DT stated that he felt that staff were generally positive and there was a willingness to embrace the changes. TH stated that he had endeavoured to visit all campuses and solicit opinion and agreed that the feedback was generally positive.

GB asked how implementation of the programme would be managed and LJ advised that the Steering Group would be consulted on all further changes that were proposed and that these would then be referred back to the Executive.

AC reminded the Board that a key issue being addressed by the Organisational Redesign was the over-reliance on temporary teachers, and its effect on the quality of teaching and course delivery. The Chairman endorsed this point and stated that this was central to delivering the vision of the Board

IO noted that the Executive had adopted the comments made by governors at the Residential and felt this was commendable.

The Principal summarised that by stating that the extent of the consultation being conducted was considerable, and this coupled with the willingness to act on the results marked an important cultural shift for the organisation. He also reminded the Board that the objective of the Organisational Design programme was not to reduce costs, but it would re-design the organisation in a way that allowed it to address the efficiency challenges that the College would face.

The Chairman commended the Executive on the quality of the plans and the transparent communications.

Accordingly it was

## **RESOLVED**

- **That the Corporation approve the vision, values and strategic goals, subject to any further proposed amendments resulting from consultation, which would be brought back to the Corporation for approval**
- **That the Corporation approve the proposed organisational design, subject to any further amendments resulting from consultation, which would be brought back to the Corporation for approval.**

### **Item 2 (ii) – Pay Policy**

LJ introduced this report and advised that the Pay Policy, which required Board approval, had been designed to reflect certain key principles. In particular it was important that there was a strong emphasis on linking pay to performance, and that the policy was both equitable and affordable.

KJ stated that it would be useful for the Corporation to receive further information on the relationship between reward and recognition and how these linked to learning and development outcomes.

Accordingly it was

## **RESOLVED**

- **That the Pay Policy be approved**

### **Item 3 – Review of Board Operating Principles and Structure and Scheme of Delegations**

The Chairman introduced this item and advised the Board that the Board Structure and Governance Paper reflected and built on the detailed discussions held at the Governor Residential.

LN advised the Board that the Scheme of Delegations proposed followed the agreement reached by governors on the important distinctions between the roles of the Board and the Executive. There was currently no comprehensive scheme of delegations and in its absence there was a lack of clarity around responsibility for decisions. He also advised that a key principle behind the scheme was that it focussed on outcomes and not process, and as part of the assurance process the Executive would report to the Board on how delegated powers had been exercised to achieve the objectives set out in the scheme.

AM advised that it was important that the Audit Committee reviewed the scheme of delegations to ensure that it supported the assurance process with which the committee were concerned.

The Chairman then invited discussion about the future shape and size of the Board and its committee structure. The Chairman reminded the Board that the consensus at the Board away day was to reduce the current size of the Board and in this context there is no "magic number." With the pending retirements on the Board there would now be six independent members, the Principal, two staff governors and a student governor. If an additional student governor were added, the Board would operate with a membership of eleven.

The Chairman's proposal for discussion was that the Board be composed of a maximum number of twelve, and a quorum of six, with the quorum further requiring three independent

members. Given the casting vote of the Chair this would ensure that the independent members were always in the majority. He further acknowledged that it was critical that the Board had an appropriate mix of skills and was heartened to know that governors had commented that their skill sets were more extensive than had been captured in the last review of the skills matrix.

JO stated that she felt that the proposal reflected the direction of travel expressed at the away day but that it was important to reflect on the implications of a smaller board for the composition of committees. In particular it was important that committees also carried a majority of independent members and that it may be necessary to permit committee members to appoint an alternate if they were unable to attend the meeting.

The Chairman stated that a key issue for the Board was unity of responsibility, and equality of Board members. These principles would be better served by reducing the number of committees and ensuring that all key strategic decisions were taken by the Board as a whole. He acknowledged that this required information provided to the Board to be concise, with high quality data and exception reporting, good analysis and clear proposed actions. This would allow the Board to challenge at an appropriately high level without delving into detail that was the responsibility of the Executive.

IO expressed a concern that a smaller board would increase the risk of committees having only one independent governor present in the event of absence, and this could reduce the capacity to effectively challenge.

CS expressed a concern that in relation to academic standards, audit and capital projects the ability to carry out "deep dives" could be impaired by having fewer board members.

VD stated that she was comfortable with a smaller Board but felt that the Academic Standards Committee remit was important within the context of an organisation whose main concern was learning. She was supportive of retaining the Academic Standards and Quality Development committee as a transitional measure.

JO stated that the proposals were consistent with the renewed strategy and focus of the organisation and that it was incumbent on the Board collectively to address the key issues that were currently addressed by the Academic Standards and Quality Development committee.

The new arrangements could be tested and additional governors could be appointed if necessary. In addition, the Board could accommodate additional meetings if this proved to be necessary.

The staff and student governors all expressed support for the appointment of an additional student governor. GA stated that there would be benefit in the two students being drawn from different locations, one from Birmingham and one from the Black Country.

AM stated that he was broadly in favour of the proposals, which would improve efficiency. However, prospective governors would have to appreciate the additional commitment that this would entail and it was important to consider the possibility of remunerating the position.

KJ stated that whilst she had some concerns about the proposed size of the Board she was on balance supportive of the proposal on the understanding that the Board would act quickly to increase its capacity if necessary.

The Principal added that he supported the retention of the Academic Standards committee for the academic year as a transitional measure.

Having considered the debate and opinions expressed, the Chairman proposed that it would be appropriate to resolve the concerns raised by adopting a maximum board number of fourteen rather than twelve, thus retaining the flexibility for the Board to appoint additional governors should that prove necessary.

Accordingly it was

## **RESOLVED**

- **That the maximum board number be set at 14**
- **That an additional student governor be recruited**
- **That the Board operate with 11 governors until it determined otherwise**
- **That there be a quorum of 6, with a minimum of 3 independent members**
- **That the Audit Committee and the Governance and Search/Remuneration Committees be retained as standing committees and that the Academic Standards and Quality Development Committee be retained until the end of the academic year, to be reviewed thereafter**
- **That the Finance Business and Developments Committee and the Framework Review Committee cease operating.**
- **That proposals be presented to Board members on the filling of committee vacancies and the appointment of the Vice-Chair, early in the new year.**
- **That the scheme of delegations be approved**
- **That the Audit Committee review the scheme of delegations against the audit assurance process**

### **Item 4 – Review of the Risk Register**

BP introduced this report and advised the Board that it was a work in progress that required further refinement, in particular to reflect groupings of risk under key themes. However the work to date was intended to demonstrate the key emerging risks and to present them in a way that reflected both likelihood and impact and mitigating measures.

KJ stated that further iterations of the strategy needed to demonstrate clarity in the linkage with strategic planning.

The Principal drew the attention of the Board to the risk assessment of the potential funding gap. This could be up to £4.5 million and whilst the risk was a substantial improvement on last year's position there was an acknowledged need to plan for this scenario. It was felt that approximately 60% of the funding risk could be mitigated which would leave a net exposure of approximately £1 million. BP had been tasked with identifying a further £1.5 million in efficiencies in order to address the potential shortfall. If for any reason the headline figures as currently understood changed, or the mitigation plans were insufficient, the matter would be reported back to the Board.

AM questioned whether the risk register was informed by staff input and the Principal advised that the process had yet to be integrated with the strategic planning process but that this would now be managed through the monthly Executive Board.

Accordingly it was

## **RESOLVED**

- **That the progress in respect of the development of the Risk Register be noted**
- **That further work is undertaken by the Executive to reflect the issues raised in the preamble to this minute and that the outcome of this work be reported back to the Board.**

## **Item 5 Review of Merger Harmonisation**

The Chairman proposed and it was agreed that the paper be taken as read, it being noted that the finding of the review would be relevant to a review of the governance changes approved by the Board earlier in the meeting.

Accordingly it was

### **RESOLVED**

- **That the report be noted and that lessons learned be used by the Executive to review the governance changes in due course.**

## **Item 6 - Senior Post Holder Status**

This item is recorded in a confidential minute

## **Item 7 – Report from the Chair of the Audit Committee**

KJ summarised the minutes of the meeting of the 27<sup>th</sup> November and advised the Board that the Executive had been challenged to ensure the timely implementation of Internal Audit recommendations and the Principal had given an assurance in this regard.

The Executive had also been asked to consider whether insurance against terrorist attack should be procured given the heightened risk of an uninsured event.

The Chairman thanked KJ and the committee members for their hard work and diligence over the past year.

Thereafter KJ summarised and recommended that the Board approve the documents identified in the following minute.

Accordingly it was

### **RESOLVED**

**That the following be approved:**

- **The letter of representation**
- **The Internal Audit Annual Report**
- **The Audit Committee Terms of Reference**

**And that that Audit Committee annual report be noted.**

## **Item 8 - Report from the Chair of Finance, Business and Developments Committee**

SB summarised the minutes of the meeting of the 20<sup>th</sup> November 2014. The Board were advised of the detailed deliberation that the Committee had given to the year- end accounts and financial statements for the year end 31 July 2014, drawing attention to the operating deficit of £235,000 on a turnover of £80.675 million with reserves of £75.798 million.

The Board were also asked to note the potential clawback of SFA funding as identified in the minutes of the meeting and BP advised that the SFA had agreed to re-profile the repayment to July 2015.

The Principal advised the Board that with its approval a general pay award of 1% would be instituted with effect from 1 September 2014, and that in relation to Treasury Management an options paper would be presented to the Board at its next meeting.

The Chairman thanked SB and the committee members for their hard work and diligence over the past year.

Thereafter SB summarised and recommended that the Board approve the documents in the following minute.

Accordingly it was

#### **RESOLVED**

**That the following be approved:**

- **The Financial Statements for the year ending 31 July 2014**
- **A pay award of 1% for staff to be effective from 1 September 2014**

#### **Item 9 – Report from the Chair of Academic Standards and Quality Development Committee**

IO summarised the minutes of the meeting of the 9<sup>th</sup> December 2014 and in particular drew attention to the Self- Assessment Review and the Quality Improvement Plan noting that the Committee endorsed the SAR as a fair and comprehensive assessment compiled with the benefit of considerable consultation and independent input, and that the QIP had suitably robust plans for improvements over a short period.

As Lead Safeguarding Governor VD advised the Board that following the committee meeting she had sought and received assurance from the College's Designated Lead Person (Kim Vaughan) that the City Council was responding appropriately to safeguarding cases identified by the College.

The Chair thanked IO and the Committee for their work over the last year.

Accordingly it was

#### **RESOLVED**

- **That the Self- Assessment Report and Quality Improvement Plan be endorsed**
- **That the annual report on Safeguarding Children and Vulnerable Adults be noted.**

#### **Item 10 – Report from the Chair of the Framework Review Committee**

VD summarised the minutes of the meeting of the 7<sup>th</sup> October 2014 and the Chairman noted with thanks that the matters addressed by the Committee had been successfully developed in the subsequent Residential and addressed earlier in this agenda.

Accordingly it was

#### **RESOLVED**

- **That the draft minutes of the Framework Review Committee of the 7<sup>th</sup> October 2014 be noted.**

**Item 11 – Keep in Touch Sessions 2015**

LN introduced the item and advised the Board that a programme of Keep in Touch Sessions (KIT) needed to be approved for 2015. Given the pace of change in the sector it was suggested that a rolling four month programme be agreed. Possible subjects were

- Funding
- IT Strategy
- Student Voice
- House of Commons Select Committee findings on Apprenticeships and Traineeships
- Party election proposals and their implications for the College
- Performance Management dashboards
- Risk Register

The Chairman requested that consideration be given to rotating the venue for KIT sessions and that they be used also to allow the Board to hear from staff on different campuses

Accordingly it was

**RESOLVED**

- **That the proposals for KIT sessions as identified in the preamble to this minute be endorsed**

**Item 12 – Application of the Corporation Seal**

LN introduced the report and advised the Board that the Instrument of Government required the Board to receive details of the application of the seal to any transactions since the last meeting

Accordingly it was


**RESOLVED**

- **That the application of the Corporation Seal be noted.**

**Any Other Business**

There was no other business

**Date of Next Meeting: Thursday 26 March 2015**

Signed.....  


**Chairman**

Date.....  
26. 3. 2015