

SANDWELL COLLEGE

Minutes of a Meeting of the Board of Governors  
held on Monday 12th December 2016,  
in Room 5F/43, at Central Campus,  
commencing at 5.05 p.m.

Present:-	Mr. J. Tew	(Independent)	(in the Chair)
	Mr. J. Britton	(Independent)	
	Mr. K. Ellis	(Independent)	
	Mrs. T. Hurst	(Independent)	
	Ms. R. Jenkins-Crutchley	(Independent)	(part of meeting)
	Mr. N. Johal	(Independent)	(part of meeting)
	Mr. G. Pennington	(Principal)	
	Mr. T. Mahmood	(Independent)	
	Mr. A. Scott	(Independent)	
	Mr. M. Smith	(Staff)	(part of meeting)

Also in Attendance:-

Miss J. Berry	Corporation Secretary	
Mr. D. Hawkins	Executive Director for Finance and Resources	(part of meeting)
Mr. D. Holden	Vice Principal	(part of meeting)
Ms. A. Llewellyn	Director for Adult, Community and Foundation Learning	(part of meeting)
Ms. A. Sheridan	Assistant Principal – Curriculum and Student Studies	(part of meeting)
Ms. K. Whiting	Assistant Principal – People and Corporate Services	(part of meeting)

B16.107 Welcome B16.107

The Chairman welcomed members to the meeting.

B16.108 Declarations of Interest B16.108

There were no declarations of interest.

B16.109 Apologies B16.109

Apologies were received from Messrs Dunne and Uddin; and from Mr. Johal for late arrival.

The Chairman informed members that due to changing circumstances Mr. Dunne had tendered his resignation from the Board of Governors with immediate effect.

Ms. Jenkins-Crutchley joined the meeting.

B16.110 Minutes of the Meeting of the Board of Governors held on Monday 3rd October 2016 B16.110

The minutes of the meeting held on Monday 3rd October 2016 were approved and signed by the Chairman.

RESOLVED: that the minutes be approved.

B16.111 Matters Arising B16.111

There were no matters arising.

The Principal presented a report informing members of learner numbers for 2016/17 which had exceeded target, applications for 2017/18 compared to 2016/17, quality of provision, human resources and on-going developments.

Members were informed that the Principal was taking steps to apply for in-year funding in respect of the growth in learner numbers. In response to a query, it was noted that learner numbers significantly exceeded those within the Strategic Plan.

Mrs. Llewellyn joined the meeting.

In response to a further query, a discussion took place regarding the capacity of Central Campus to accommodate the increase in learners and the Principal's strategy with regard to the College's application to establish a Multi Academy Trust. The Vice-Principal updated members on the timeline for consideration of the application.

With regard to quality of provision members were informed of the College's focus on implementing strategies to improve learner outcomes in English and maths. Members were also informed of on-going developments in relation to higher education provision.

Mr. Johal joined the meeting.

Members were updated on the College's application to the Local Enterprise Partnership (LEP) for funding for the new Talent Studio and its bid for ESF funding. A number of concerns regarding these applications were expressed and potential actions for moving forward were suggested.

The Chairman outlined discussions that had taken place at a recent meeting of the Chairmen and Principals of the Black Country Colleges, particularly with regard to collaboration.

(NFP) NOT FOR PUBLICATION

(NFP)

RESOLVED: that the report be received.

The Vice-Principal presented a Teaching and Learning Report, which concentrated on the final success rates for 2015/16, the Mides report relating to English and maths, and the College's key strengths and areas for improvement as identified through the self-assessment process.

Members were pleased to note that all of the success rates were above the national average with the exception of Level 3 16-18, which was at the national average. It was noted that further actions were being taken with regard to apprenticeship timely success rates and GCSE English and maths.

A discussion took place regarding the implications of the funding condition in relation to English and maths and the strategies implemented by the College to improve learner performance. Members noted that the results of the November GCSE re-sit examinations would be known in January 2017. In response to a query, members were reminded of requirements in relation to English and maths particularly with regard to those students who achieved a 'D' grade.

Further discussions took place regarding the needs of employers, apprenticeship frameworks, vocational studies and functional skills.

With regard to the overall College self-assessment process members were informed that the draft College Self-Assessment Report would be considered by the Learners, Quality and Curriculum Committee in January and the Board of Governors in February 2017.

RESOLVED: that the report be received.

B15.114 Financial Year-End 2015/16

B15.114

i) Sandwell College – Members Report and Financial Statements for the Year Ended 31st July 2016

The Chairman referred members to the College's ambitions for the next three years, which were based on a strategy of 'Grow, Improvement Quality, Ensure Solvency'. The Chairman reminded members of the significant progress the College had made during the previous three year period.

The Executive Director for Finance and Resources presented the Members Report and Financial Statements 2015/16 and highlighted the year-end position compared to the previous year, together with movements in the Statement of Comprehensive Income and the Balance Sheet.

(NFP) NOT FOR PUBLICATION

(NFP)

Members congratulated the College on its positive financial position.

In response to a query, the Executive Director for Finance and Resources confirmed that there had been no changes to the Members Report and Financial Statements since the meeting of the Audit Committee held on Tuesday 29th November 2016, which had been considered in detail and recommended to the Board of Governors for approval.

ii) Minutes of the Meeting of the Audit Committee held on Tuesday 29th November 2016

The Chairman of the Audit Committee presented the minutes of its meeting held on Tuesday 29th November 2016 and outlined the recommendations to the Board of Governors. Discussions relating to the financial year-end audit 2015/16 are detailed under minutes numbered B16.114 (ii) (a) to (d), (iii), (iv) and (v).

Members were asked to note that the Audit Committee had considered the Final Regularity Assurance Self-Assessment Questionnaire 2015/16 and the College's self-assessment in relation to ISA 240 relating to fraud and irregularity.

The Audit Committee had recommended to the Board of Governors that the internal audit service and the financial statements auditors should be re-appointed for 2017/18. The College would re-tender for both audit services for 2018/19. These recommendations were approved.

RESOLVED:

- a) that RSM be appointed as internal audit service provider for 2017/18
- b) that Grant Thornton be appointed as financial statements auditors for 2017/18
- c) that the College re-tender for its internal audit service and its financial statements auditors for 2018/19.
- d) that the minutes be received.

a) Financial Statements and Regularity Audit Findings Report and Opinion 2015/16

The Chairman of the Audit Committee presented the Financial Statements and Regularity Audit Findings Report and Opinion 2015/16, which had been considered by the Audit Committee and recommended to the Board of Governors for approval. It was noted that the College was awaiting receipt of the funding reconciliation statement from the SFA.

(NFP)

NOT FOR PUBLICATION

(NFP)

RESOLVED: that the Financial Statements and Regularity Audit Findings Report 2015/16 be approved.

b) Internal Audit – Annual Report 2015/16

The Chairman of the Audit Committee presented the Internal Audit Annual Report 2015/16, which provided a positive audit opinion. The report summarised the work of the Internal Audit Service during 2015/16 particularly in relation to Governance, Risk Management and Internal Controls. The report had been recommended to the Board of Governors for approval.

RESOLVED: that the Internal Audit Annual Report 2015/16 be approved.

c) Risk Management Annual Report 2015/16

The Chairman of the Audit Committee presented the Risk Management Annual Report 2015/16 and referred members to the report's conclusion. The Audit Committee had recommended the report to the Board of Governors for approval.

RESOLVED: that the Risk Management Annual Report 2015/16 be approved.

d) Letter of Representation

Members considered the proposed letter of representation that had been recommended to the Board of Governors for approval. The Chairman of the Board of Governors informed members of an amendment that had been made to the Letter.

(NFP)

NOT FOR PUBLICATION

(NFP)

RESOLVED: that the amended Letter of Representation relating to 2015/16 be approved for signature by the Chairman.

iii) Annual Report of the Audit Committee to the Board of Governors and the Accounting Officer 2015/16

The Chairman of the Audit Committee presented the Committee's Annual Report to the Board of Governors and the Accounting Officer 2015/16 and reminded members that under the Joint Audit Code of Practice (JACOP) the Annual Report had to be submitted to the SFA with the financial statements.

The Chairman referred members to the report's conclusion and the Audit Committee's opinion.

RESOLVED: that the Annual Report of the Audit Committee to the Board of Governors and the Accounting Officer 2015/16 be received and noted.

iv) Reconciliation of Period 12 Management Accounts (July 2016) to the Financial Statements 2015/16

The Executive Director of Finance and Resources presented a reconciliation of the management accounts for July 2016 (period 12) with the financial statements 2015/16. It was noted that there had been five College adjustments, no audit adjustments and one adjustment not included in the management accounts relating to the FRS 102 pension liability adjustments.

RESOLVED: that the report be received.

v) Sandwell College – Members Report and Financial Statements for the Year Ended 31st July 2016 – Approval and Signature

The Executive Director for Finance and Resources informed members that there had been a delay by the SFA in sending to colleges their funding reconciliation statements. The College did not expect the funding statement to vary significantly from the funding detailed in the financial statements, however, the financial statements auditors would not sign-off the Members Report and Financial Statements until the funding statement had been received. A discussion took place regarding the actions that might be required once the funding statement had been received.

Following further discussion of the Members Report and Financial Statements, together with consideration of all of the reports relating to the financial year-end audits, the Board of Governors approved the Members Report and Financial Statements 2015/16 for signature by the Chairman and Principal, subject to receipt of the funding reconciliation from the SFA, approval and signature by the Financial Statements Auditors and any change in funding not being material in nature.

RESOLVED: that the Members Report and Financial Statements 2015/16 be approved for signature by the Chairman and Principal, subject to receipt of the funding reconciliation from the Skills Funding Agency, approval and signature by the Financial Statements Auditors and any change in funding not being material in nature.

B16.115 Annual Report – Trust Funds 2015/16

B16.115

The Executive Director for Finance and Resources presented an annual report on the performance of the College's trust funds, which were administered on behalf of the College by Sandwell MBC. Discussions were on-going with Sandwell MBC to get the trust funds transferred to the College.

Members were asked to note that under FRS 102 the trust funds were now accounted for within the College's Financial Statements. It was not therefore intended to submit a separate report to the Board of Governors in future years. The Executive Director for Finance and Resources would amend the Financial Regulations accordingly.

RESOLVED: that the report be received.

B16.116 Skills Funding Agency Assessment of Financial Health

B16.116

The Executive Director for Finance and Resources presented a letter from the SFA, which confirmed the College's financial health was 'outstanding' for 2015/16 and 2016/17. The underlying financial health grade was also 'outstanding'.

RESOLVED: that the report be received.

- B16.117     Students' Union Accounts 2015/16     B16.117
- The Executive Director for Finance and Resources presented the Students' Union accounts for 2015/16 and explained the year-end position.
- RESOLVED:     that the Students' Union Accounts 2015/16 be received and noted.
- B16.118     Management Accounts for the Period ended 31st October 2016     B16.118
- The Executive Director for Finance and Resources presented the management accounts for the period ended 31st October 2016 and outlined the main variances in relation to income and expenditure compared to budget, together with the forecast out-turn for 2016/17.
- RESOLVED:     that the management accounts be received.
- B16.119     Risk Management Monitoring Report     B16.119
- The Executive Director for Finance and Resources presented the risk management monitoring report. Members were informed that two new risks had been added to the Risk Register, which related to pension liabilities and sub-contracting.
- RESOLVED:     that the report be received.
- B16.120     Appointment of Student Members     B16.120
- The Corporation Secretary presented a report informing members that one nomination for the appointment of a Student Member had been received from the Students' Union. It was expected that a second nomination would be presented to the next meeting of the Board of Governors.
- Members were reminded that Student Members served as members of the Learners, Quality and Curriculum Committee.
- a)     that Ms. Dylan Gill be appointed Student Member on the Board of Governors for a term of office of 7.5 months commencing with immediate effect until 31st July 2017.
- b)     that the report be received.
- B16.121     Minutes of the Meeting of the Search Committee held on Monday 3rd October and a verbal report of the Meeting held on Monday 28th November 2016.     B16.121
- The Chairman of the Search Committee reminded members that a verbal report of the Committee's meeting held on Monday 3rd October 2016 had been made to the meeting of the Board of Governors held on the same day. The Committee's recommendations had been approved.
- The Chairman informed members that at the meeting of the Search Committee held on Monday 28th November 2016 it had been agreed to recommend to the Board of Governors that Mr. Ken Ellis be appointed to serve as a member of the Search Committee with immediate effect. This recommendation was approved.
- Members were informed of discussions that had taken place regarding the appointment of a Chairman of the Board of Governors with effect from 1st August 2017. The Chairman of the Search Committee informed members that the Committee had agreed to nominate Mr. Ken Ellis for appointment as Chairman Designate with immediate effect.

The Chairman of the Board asked if there were any other nominations for appointment as Chairman. No other nominations were received.

The Board of Governors unanimously approved the appointment of Mr. Ellis as Chairman Designate with immediate effect. Members congratulated Mr. Ellis on his appointment. Mr. Ellis thanked members for their support and he outlined his views in relation to the education of young people. Mr. Ellis commented that he hoped to be supported by two active Vice-Chairmen.

RESOLVED:

- a) that Mr. Ken Ellis be appointed to serve as a member of the Search Committee with immediate effect.
- b) that the Board of Governors unanimously approve the appointment of Mr. Ken Ellis as Chairman Designate of the Board of Governors with immediate effect.
- c) that the minutes be received.

B16.122 Minutes of the Meeting of the Learners, Quality and Curriculum Committee held on Wednesday 19th October 2016 B16.122

The Chairman of the Learners, Quality and Curriculum Committee presented the minutes of its meeting held on Wednesday 19th October 2016. There were no recommendations to the Board of Governors.

RESOLVED: that the minutes be received.

B16.123 Any Other Business B16.123

There were no items of other business.

Members then considered agenda item 20. Discussion relating to this item is detailed below under minute number B16.126.

The Staff Members and member of the Senior Leadership Team (excluding the Principal) left the meeting.

B16.124 NOT FOR PUBLICATION B16.124  
(NFP) (NFP)

B16.125 Determination of Confidential Items B16.125

Members agreed that discussions relating to sub-contracting, pension liabilities and agenda item 18 should be minuted confidentially. The Chairman would confirm confidential minutes once the draft had been prepared.

RESOLVED: that minutes numbered B16.112 and B16.114 (in part) and B16.124 be minuted confidentially with the Chairman confirming confidential minutes once the draft had been prepared.

B16.126 Date of Next Meeting B16.126

The next meeting of the Board of Governors was planned to take place on Monday 27th February 2017, commencing at 5.30 p.m., at Central Campus.

Members were informed that the Chairman and Principal had agreed that the agenda for the next meeting would include a review of performance against the Strategic Plan. It was then intended that the Principal and Senior Leadership Team would prepare a new Strategic Plan. As a result, it had been agreed that the Annual Strategy, Policy and Discussion Forum scheduled to take place on Friday 3rd February 2017 should be postponed and re-arranged to take place in May 2017. A firm date would be agreed in due course.

Discussion then reverted to agenda item 18, which is detailed above under minute number B16.124.

The meeting terminated at 8.12 p.m.