

NCG Corporation

Minutes of Meeting held on 6th June 2017

4129 Present

John Cuthbert	
Joe Docherty	Chief Executive
Caroline MacDonald	
Jamie Martin	Chair of the Corporation
Peter Mitchell	
Chris Roberts	
Mark Squires	
Alex Turner	
Jim Woodlingfield	

4130 In Attendance

Gerard Garvey	Principal – Newcastle Sixth Form College
Lynne Griffin	Group Director, HR and Organisational Development
Yolanda Hughes	Interim Clerk to the Corporation
Alastair Mitchell	Group Director Finance, Estates and IT
Chris Payne	Group Director, Planning and Performance
Ian Webber	Managing Director Intraining/Rathbone Training

4131 Opening of Meeting

Jamie Martin opened the meeting at 4.00pm and welcomed Gerard Garvey, the Principal from the Newcastle Sixth Form College who would be providing an update on the Discovery School under the Chief Executive Officers, report.

The NCG Corporation Board then held a minutes silence in honour of the students, Chloe Rutherford and Courtney Boyle who had lost their lives in the Manchester bombing.

4132 Apologies for Absence

Apologies for absence were received from the following Governors, Les Abernethy, Chris Newton and Nigel Mills.

4133 Conflict of Interest

None

4134 NCG Chief Executive Officer – Report June 2017 – brought forward on the agenda

The Newcastle Sixth Form Principal, presented the Board with a detailed update on the Discovery School.

As previously reported to the Corporation the school had faced difficulties like many other new schools of this nature, and had struggled to recruit the targeted number of students. This meant that the operation of the school had been constrained by low income. The Educational Plan for the school was approved by DfE pre-opening. The Discovery School had therefore failed to achieve its forecasted numbers. It was explained that the school did not meet the required progress and the Board were provided details of how the schools performance was measured.

The Newcastle Sixth Form College, Principal stated that they had expected an inspection this year and proceeded to give an explanation of the current financial position which was being monitored by the EFA.

Inspection Outcome – a full short Ofsted Inspection was undertaken on the 10th and 11th May, 2017. Noted that the report would only be made public in June and that only the draft report was available. The overall effectiveness grading was ‘Inadequate’. The school has therefore been placed in special measures and this was largely down to the significant weaknesses in leadership and management.

The Board were then briefed on the actions taken by the Trustees as detailed in the report.

Governors asked if the newly appointed Headteacher, had the experience to deal with the current issues faced by the Discovery School. The Newcastle Sixth Form College, Principal explained that he did not but they were confident that he had the ambition and capabilities to undertake the role effectively. The CEO was confident that he would be able to deliver and it was accepted that the new salary range did not accommodate employing a highly skilled headteacher with experience in dealing with failing schools.

Governors went onto question what support would be given to the new Headteacher, and the range of support strategies that were being implemented to support the new Headteacher were outlined.

Further questions were asked of the Executive as to whether they were convinced that the 14 to 19 model was correct as clearly enrolments was a big issue. The Newcastle Sixth Form College Principal explained that as part of the local authority they were promoting the school commencing in year 9 and the CEO went onto state that they needed to ensure that they now addressed the shortcomings and made a success of the school, taking into account, the financial issues and difficulties in enrolments.

Governors asked for an explanation of the NCG role as sponsors of the Discovery School and, the basis was that there was no financial benefit to NCG of which details were expanded on. Lengthy discussions took place on the difficulties that the school had faced and comparisons with other schools facing similar difficulties were shared. Governors commented on the reputational impact which, was considered a big negative and therefore it was imperative that a success was made of the

school. It was noted that the negative Ofsted report when publicised would probably have a further detrimental impact on enrolments.

Governors discussed support mechanisms that could be utilized in order to take advantage of the different opportunities available to the school.

It was noted that staff morale had taken a dip but with the changes already being implemented by the new Headteacher, staff were pleased that positive action was being taken.

Received

The Board received the detailed report on the Discovery School and asked for further updates on progress in due course.

4135 Minutes of the Corporation Meeting held on 9th May, 2017

The non-confidential and confidential minutes of the Corporation meeting held on 9th May 2017 were accepted as an accurate record.

4136 Register of Board Actions

The Chair of Corporation presented the register of Board actions

The remaining actions were ongoing.

4137 Other Matters Arising

HE Governance Committee – Noted that the first HE Governance Committee meeting had taken place on the 6th June, 2017. Caroline MacDonald asked the Board to consider appointing an HE student to the HE Governance Committee.

Agreed

The Board formally agreed that a student with the relevant HE background be appointed to the HE Governance Committee.

Student Governor - the Board were advised that the new SU President had been elected and would effectively take up on office on the 1st July, 2017.

4138 NCG Chief Executive's Report

The report provided an update on corporate, commercial and operational developments.

Rathbone – the Managing Director Rathbone & Intraining provided a verbal update on Rathbone as detailed in the CEO's report.

Noted that Rathbone was inspected during May and the Managing Director was pleased to report that they had achieved a Grade 2 'Good' which was extremely positive. The CEO went on to add that the feedback received from the Inspectors was very positive and that the

grading was closer to a Grade 1 than a Grade 3 which, resulted in a solid Grade 2 outcome.

West Lancashire College - The CEO updated the Board on the delegated authority handed to himself and the Chair of Corporation at the last NCG Corporation Board meeting in respect of the tenders. He confirmed that planning permission had now been granted for the new Technology and Construction Centre.

Received

The Corporation Board received the report.

4139 Budget 2017/2018 – Funding update

The Group Director, Finance, IT & Estates presented his report on the Budget 2017/18 – funding update, and stated that the report had been written in the context of existing government policy and that the key features of the funding landscape expected for 2017/2018.

The Board went through the key points in the document and questioned the Welfare to Work funding. It was explained that NCG had not been successful in gaining access to the umbrella agreement and therefore unable to bid for any of the contracts as a prime provider however, a strategy was in place to access DWP contracts as a Tier 2 provider. Further details were provided on why NCG could not access the umbrella agreement.

Received

The Corporation Board received the update on the Budget for 2017/2018 and the funding implications for that year.

4140 Finance Report and Monthly Management Accounts

The Group Director, Finance, IT & Estates presented the Finance Report and Monthly Management Accounts for Period 9. Noted that Period 9 was the first month of operating with Carlisle College being part of the NCG group.

The Board went through the key headlines for the month as detailed in the summary report.

Tenders & Contracts

Awarding Organisations Tender

Agreed

The Corporation Board formally agreed to delegate authority to the CEO and the Chair of Corporation to oversee and authorise the contract which was expected to be in excess of £5m as detailed in the report. It was also agreed that an update with the final outcomes would be made to the July Corporation Board meeting.

Action – Joe Docherty & Jamie Martin

Insurance Programme Tender

It was explained that this an EU open procedure had taken place to procure the insurance programme for the Group for the next three years, but with the option to extend for a further 2 years. The tender closed on Friday, 19 May and the procurement team along with A J Gallagher's, NCG insurance broker, were currently evaluating the bids. Bidders were asked to quote on a like for like basis, but also on an alternative basis of cover, to enable NCG to flex their programme to meet the needs of the business. Early indications were that with the exception of Engineering, cover would be awarded to existing insurers. However, until the evaluation had been concluded this cannot be guaranteed. Professional indemnity and Directors & Officers Indemnity cover was included in the insurance programme. Therefore, as the Corporation had a vested interest in the award of this contract, the Executive sought delegated authority be given to the Chief Executive Officer and the Chair of Corporation, to authorise the award to allow NCG to progress at pace. A paper outlining the cover and the saving achieved would be presented at the July meeting for ratification

Agreed

The Corporation Board formally agreed to the request for delegated authority to the CEO and Chair of Corporation to oversee the Insurance Programme Tender.

**Action – Joe Docherty
& Jamie Martin**

4141 FE Consolidation update

The Group Director, Planning and Performance presented his report and briefed the Board on the following points:

Mergers in the FE Sector

Noted that there were currently 16 mergers in progress due for completion by the 1st August, 2017 and a further number due for completion later in the year. It was also pointed out that a fair number of colleges had pulled out of planned mergers for various reasons.

Carlisle College

Governors were advised of the general updates and integration updates for Carlisle College.

Lewisham Southwark College Merger

Noted that the legal Due Diligence was now in progress and the Group Director, Planning and Performance provided details on the work that was being undertaken. NCG currently working on the Merger Agreement with the view to seeking approval and sign off by the 15th June, 2017.

Noted that the Transition Board had met on the 6th June, 2017 and nothing untoward was raised and everything was in accordance to expectation.

Received

The Board received the update on the FE Consolidation matters.

4142 Risk Management – Category G – Relationships and Key Partners and agencies

The Group Director, Planning & Performance presented the final Risk Management Report for the academic period.

Governors questioned one of the key risks around relationships with major corporate and employer partners. The CEO provided a detailed explanation of the groups approach to local businesses and community links. The Managing Director, Rathbone/Intraining added that they worked closely with local businesses and provided details of how they built on these relationships.

The Chair of Corporation stated that Governors had a role to play in this aspect, particularly in relation to the local business and community links.

Approved

The Corporation Board approved the risk appetite line for Category G: Relationships and Key Partners and agencies

4143 Annual Health & Safety Report

Approved

The Corporation Board formally approved the Annual Health & Safety Report.

Annual Health & Safety Policy – review

The Group Director, Finance, IT and Estates pointed out the changes that had been made to the policy and the commitment of NCG and the College Boards respect of Health & Safety.

Governors questioned where the ultimate responsibility lay in respect of Health & Safety and, it was explained that the operational delivery of Health & Safety was handled by the respective College Boards and the governance responsibility was to ensure that divisions delivered on health and safety as delegated.

Approved

The Corporation Board formally agreed to the proposed Health & Safety Policy for 2017/2018 and agreed that the Chair of Corporation

signed off the document for and on behalf of the NCG Corporation Board.

4144 Subcontracting Provision Report

The purpose of the Subcontracting Provision Report was to obtain the approval of Corporation for the approach that NCG would take to subcontracting provision for the academic year 2016-17 and 2017-18. This would ensure that NCG was compliant with the current funding requirements on subcontracting, which had been significantly strengthened by the agencies over the last two to three years.

Approved

The Corporation Board formally approved the proposed Subcontracting Provision and the high level risk criteria and strategic aims for subcontracting in 2016-17/2017-18.

4145 Supply Chain Fees and Charges policy for 2016-17/2017-18.

Approved

The Corporation Board formally approved the updated Supply Chain Fees and Charges Policy for 2016/2017 and 2017/2018

4146 Corporation Matters

Jamie Martin – Chair of Corporation presented the update on Corporation Board matters.

Newcastle College

The arrangements for the recruitment of Newcastle College Board members was in progress. Governors were advised that at least one NCG Corporation Board member was required to partake in the interviews of which details of dates and times would be communicated via the Clerk to the Corporation.

Newcastle Sixth Form College

The arrangements for the recruitment of Newcastle Sixth Form College Board members was in progress.

Carlisle College

Approved

The Corporation Board formally approved the appointment of Dr Adrian Potts as the Staff Governor at Carlisle College.

Documents Signed by Governors and Use of Seal

Received as per the details in the report.

4147 College Board Minutes

The Corporation Board received the following College Board Minutes for information purposes.

Carlisle College – 16th May, 2017
Kidderminster College – 30th March, 2017

4147 Other Business

- a. Confidential Item of Business – ref SPH Matter - covered under Part 2 Confidential Business excluding all Executive and Staff Governors

4148 Confidentiality of Business

The following confidential reports were identified:
Minute 4134 - Chief Executive's Report – Discovery School
Minute 4137 – Chief Executive's Report
Minute 4139 – Budget 2017/2018 – Funding update
Minute 4140 - Finance Report and supplementary papers
Minute 4141 – FE Consolidation Report
Minute 4147 – SPH Confidential Item

Staff and Student members, CEO and Executives excused from the meeting

4149 Date of Next Meeting

11th July 2017 at 4.00pm

Minutes agreed as being a true and accurate record and signed off by the Chair of Corporation

Date

Signed